

Section 1 General information, scope

(1) These General Terms of Purchase (German abbreviation: AEB) shall apply to all business relationships with our business partners and suppliers ("Seller"). The General Terms of Purchase shall only apply if the Seller is an entrepreneur (Section 14 BGB [German Civil Code]), a legal entity under public law or a special fund under public law.

(2) The General Terms of Purchase shall in particular apply to contracts concerning the sale and/or the delivery of movable objects ("goods"), irrespective of whether the Seller produces the goods itself or purchases these from component suppliers (Sections 433, 651 BGB). If not otherwise agreed, the General Terms of Purchase shall also apply in the version applicable at the time of our order as a framework agreement to future contracts of the same kind, without us having to refer hereto again in each individual case.

(3) These General Terms of Purchase shall apply exclusively. Deviating, contradictory or supplementary General Terms and Conditions of the Seller will only become part of the contract to the extent that we have explicitly approved their validity in writing. This approval requirement shall apply in all cases, for example even if we accept the Seller's deliveries without reservation in the knowledge of the General Terms and Conditions of the Seller.

(4) Legally relevant declarations and reports, which are to be submitted towards us by the Seller after conclusion of the contract (e.g. the setting of deadlines, reminders, declaration of cancellation), shall require a written form in order to be valid.

(5) References to the validity of statutory regulations will only have clarifying significance. The statutory regulations shall also apply without such clarification insofar as they are not directly changed or explicitly excluded in these General Terms of Purchase.

Section 2 Conclusion of contract

(1) Our order shall be deemed binding no earlier than with the written submission or confirmation. The Seller has to inform us of obvious errors (e.g. typing and calculation errors) and incompleteness of the order including the order documents for the purpose of correction or completeness before acceptance; otherwise the contract shall be deemed as not concluded.

(2) The Seller is required to confirm our order in writing by stating its order number, the binding prices and delivery dates within a deadline of 5 days or to carry out the order without reservation as agreed by sending the goods (acceptance). A late acceptance of our order shall be deemed as a new offer and shall require the acceptance by us.

(3) We are entitled to change our orders with regard to quantities, constructions and delivery dates, also after an order confirmation of the Seller is available.

Section 3 Delivery time and delay in delivery

(1) The delivery time stated by us in the order is binding. The Seller undertakes to inform us immediately in writing if it is expected that it cannot adhere to the stated and/or agreed delivery times – no matter for what reasons.

(2) If the Seller does not provide its service or not within the agreed delivery time or if it is in default our rights – in particular to cancellation and damages – shall be determined according to the statutory regulations. Premature deliveries can be refused by us. The regulations in Para. 3 shall remain unaffected. The acceptance of a late delivery shall not be deemed as a waiver of claims for compensation.

(3) If the Seller is in default we can – in addition to further statutory claims – request lump-sum compensation for our damages due to default in the amount of 1% of the net price per completed calendar week, in total however no more than 5% of the net price of the goods which were delivered late. We reserve the right to prove that higher damages were suffered. The Seller reserves the right to prove that no damages were suffered at all or only substantially less damages.

Section 4 Service, delivery, passing of risk, default in acceptance

(1) The Seller is not entitled to have the service owed by it provided by third parties (e.g. subcontractors) without our prior written consent. The Seller shall bear the procurement risk for its services if not otherwise agreed in an individual case (e.g. restriction to stocks).

(2) The delivery shall be carried out "free house" to the place stated in the order. If the place of destination is not stated and not otherwise agreed then the delivery has to be carried out at our registered seat in Nürtingen, Germany, or at the location otherwise stated by us. The respective place of destination is also the place of performance for the delivery and a possible subsequent fulfilment (debt to be discharged at creditor's domicile).

(3) A delivery note is to be enclosed with the delivery by stating the date (issue and shipment), contents of the delivery (article number and number) as well as our order code (date and number) by affixing it in an externally visible position to the parcel in a closed envelope. One copy of the delivery note is to be submitted with the bill of lading with the delivery of the goods acceptance at the place of destination. If the delivery note is missing or if it is incomplete we shall not be responsible for thus resulting delays in the processing and payment. A corresponding dispatch note is to be sent to us separately from the delivery note with the same contents.

(4) The risk of accidental loss and the accidental deterioration of the object shall pass to us with the hand-over at the place of performance. Insofar as an acceptance has been agreed this is decisive for the passing of risk. The statutory regulations of the law governing contracts for work and service shall also incidentally apply accordingly with an acceptance.

(5) The statutory regulations shall apply to the occurrence of our delay in acceptance. The Seller must also explicitly offer us its service, however, if a certain or definable calendar time has been agreed for an act or assistance on our part (e.g. provision of material). If we are in default of acceptance the Seller can request reimbursement of its additional expenses according to the statutory regulations (Section 304 BGB). If the contract relates to an untenable object that is to be produced by the Seller (individual production) the Seller will only be entitled to further rights if we have obligated to provide assistance and are responsible for the failure to provide assistance.

Section 5 Prices and terms of payment

(1) The price stated in the order is binding. All prices are deemed including the statutory value added tax if this is not shown separately.

(2) Insofar as not otherwise agreed in an individual case the price shall include all services and secondary services of the Seller (e.g. assembly, installation) as well as all secondary costs (e.g. proper packaging, transport costs including possible transport and liability insurance).

(3) The agreed price is due and payable within 30 calendar days from the full delivery and service (including an if applicable agreed acceptance) as well as receipt of a proper invoice. If we make the payment within 10 calendar days the Seller will grant us 3% cash discount on the net amount of the invoice. In case of a bank transfer the payment is deemed as made in time if our transfer order is received by our bank before expiry of the payment deadline; we are not responsible for delays by the banks involved in the payment transaction.

(4) We do not owe any maturity interest. The statutory regulations shall apply to the default of payment.

(5) We are entitled to rights to offset and retention as well as the plea of the non-fulfilled contract to the statutory extent. We are in particular entitled to withhold due payments as long as we are still entitled to claims from incomplete or deficient services against the Seller.

(6) The Seller shall only have a right to offset or retention owing to counter-claims which are declared final and binding or which are undisputed.

Section 6 Confidentiality and reservation of title

(1) We reserve property rights and copyrights to diagrams, plans, drawings, calculations, execution instructions, product descriptions and other documents. Such documents are exclusively to be used for the contractual service and to be returned to us after settlement of the contract. The documents are to be kept secret towards third parties, and also after termination of the contract. The non-disclosure obligation shall only lapse if and insofar as the know-how contained in the provided documents has become general knowledge.

(2) The aforementioned provision shall apply accordingly to substances and materials (e.g. software, finished and semi-finished products) as well as to tools, templates, samples and other objects, which we provide to the Seller for production. Such objects are – as long as they are not processed – to be stored separately at the Seller's costs and to be insured to a reasonable extent against destruction and loss.

(3) A processing, mixing or connection (further processing) of provided objects by the Seller will be carried out on our behalf. The same shall apply with the further processing of the delivered goods by us so that we shall be deemed the manufacturer and shall acquire the property to the product no later than with the further processing according to the statutory regulations.

(4) It is essential that the goods are assigned to us and irrespective of the payment of the price. If, however, we accept an offer of the Seller for assignment that is subject to the purchase price payment in an individual case the Seller's reservation of title shall lapse no later than with the purchase price payment for the delivered goods. We shall also remain authorised to resell the goods in the proper course of business before payment of the purchase price under the advance assignment of the thus established claim (alternatively validity of the simple reservation of title extended to the resale). Excluded are therefore in any case all other forms of reservation of title, in particular the extended, the forwarded and the reservation of title extended to the further processing.

Section 7 Faulty delivery

(1) The statutory regulations shall apply to our rights in case of material defects and defects of title of the goods (including false and shortfall in delivery as well as improper assembly, faulty assembly, operating instructions) and with other breaches of duty by the Seller, insofar as not otherwise determined below.

(2) According to the statutory regulations the Seller shall in particular be liable for the fact that the goods have the agreed conditions when the risk is passed to us. In any case those product descriptions, which – in particular by a designation or reference in our order – are an object of the respective contract or in the same manner as these Terms of Purchase were included in the contract shall be deemed as an agreement about the condition. It does not make any difference whether the product description stems from us, from the Seller or from the manufacturer.

(3) In the case of goods with digital elements or other digital content, the Seller shall be obliged to provide and update the digital content necessary for the contractual condition of the goods, or in any case insofar as this is stated in a quality agreement or other product description of the manufacturer or on its behalf, in particular online, in advertising or on the product label – including with respect to consumers. This also includes the informational obligation regarding updates.

(4) The Seller shall ensure that the good or service is delivered free from any third party rights, and that the delivery does not violate any rights of third parties. The Seller is obligated to indemnify and hold us harmless in this respect from any claims by third parties and to reimburse us all necessary expenses in conjunction with such claims. This shall not apply if the Seller can verify that it is neither responsible for the legal violation, nor should have been aware of it had it been doing the proper due diligence of a businessman at the time of the delivery or service.

(5) Notwithstanding Section 442 Para. 1 S. 2 BGB we are also entitled to claims due to defects to an unlimited extent if we failed to be aware of the defect upon conclusion of the contract as a result of gross negligence.

(6) The statutory regulations (Sections 377, 381 HGB) shall apply to the commercial obligation to carry out an inspection and report a complaint with the following condition: Our obligation for inspection is limited to defects, which are determined during our incoming goods control under an external appraisal including of the delivery documents as well as during our quality control in the random sample procedure (e.g. transport damages, false and shortfall in delivery). Insofar as an acceptance is agreed there is no obligation for inspection. Incidentally it depends on to what extent an inspection is useful according to the proper course of business by taking the circumstances of the individual case into consideration.

Our obligation to report a complaint for subsequently discovered defects shall remain unaffected. In all cases our report (report of defects) shall be deemed immediate and in time if it is received by the Seller within 5 workdays.

(7) If the Seller does not satisfy its obligation for subsequent fulfilment – at our choice by remedy of the defect (subsequent improvement) or by delivery of a faultless object (substitute delivery) – within a reasonable deadline set by us we can remedy the defect ourselves and request reimbursement of the expenses necessary for this purpose from the Seller or a corresponding advance payment. If the subsequent fulfilment by the Seller failed or is deemed unreasonable for us (e.g. owing to special urgency, danger to operational safety or the impending occurrence of disproportionate damage) it is not necessary to set a deadline; we will inform the Seller of such circumstances immediately, if possible in advance.

(8) Incidentally we are entitled to reduce the purchase price or cancel the contract in case of a material defect or defect of title according to the statutory regulations. In addition we are entitled to compensation for damages and reimbursement of expenses according to the statutory regulations.

Section 8 Supplier recourse

(1) We are entitled to our claims for expenses and recourse determined by law within a supply chain (supplier recourse according to Sections 478, 445a, 445b and Sections 445c, 327 para. 5, 327u BGB), as well as claims due to defects without restriction. We are, in particular, entitled to request exactly the type of supplementary performance (repair or a replacement delivery) from the Seller that we owe our own buyer in the individual case; in the case of goods with digital elements or other digital content, this also applies with respect to providing necessary updates. Our statutory option (Section 439 Par. 1 BGB) is not limited hereby.

(2) Before we recognise or fulfil a claim due to defect asserted by our buyer (including reimbursement of expenses according to Sections 478 Para. 2, 439 Para. 2 BGB) we will notify the Seller and request a written statement by giving a brief presentation of the facts. If the statement is not carried out within a reasonable deadline and if no mutual solution is found either the claim due to defect actually granted by us shall be deemed as owed to our buyer; the Seller is responsible for providing the counter-proof in this case.

(3) Our claims from supplier recourse shall also apply if the goods were further processed by us or one of our buyers, e.g. by installation into another product, before their sale to a consumer.

Section 9 Producer liability and product liability

(1) If the Seller is responsible for a product damage it has to indemnify us from claims of third parties, to the extent that the cause lies in its sphere of control and organisation and it shall be liable itself in the external relationship.

(2) Within the framework of its indemnification obligation the Seller has to reimburse expenses according to Sections 683, 670 BGB, which arise from or in connection with the assertion of a claim by third parties including recall actions carried out by us. We will

inform the Seller of the contents and scope of recall measures – insofar as possible and deemed reasonable – and give it the opportunity to make a statement. Further statutory claims shall remain unaffected.

(3) The Seller has to conclude and maintain product liability insurance with a flat rate sum insured of at least EUR 5,000,000.00 per physical injury/property damage.

Section 10 Statute-of-limitations

(1) The reciprocal claims of the contractual parties shall become statute-barred according to the statutory regulations, insofar as not otherwise determined below.

(2) Notwithstanding Section 438 Para. 1 No. 3 BGB the general statute-of-limitations for claims due to defects is 3 years from the passing of risk. Insofar as an acceptance has been agreed the statute-of-limitations will begin with the acceptance. The 3-year statute-of-limitations shall also apply accordingly to claims from defects of title, whereby the legal statute-of-limitations for in rem hand-over claims of third parties (Section 438 Para. 1 No. 1 BGB) shall remain unaffected; claims from defects of title shall additionally in no way become statute-barred as long as the third party can still assert the right - in particular in the absence of statute-of-limitations – against us.

(3) The statutes-of-limitations of the law governing purchases including the above extension shall apply – in the statutory extent – to all contractual claims due to defects. Insofar as we are also entitled to non-contractual claims for damages owing to a defect the regular legal statute-of-limitations shall apply in this respect (Sections 195, 199 BGB) if the application of the statutes-of-limitations of the law governing purchases does not lead to a longer statute-of-limitations in an individual case.

Section 11 Compliance with regulations under public law and the LkSG (German Supply Chain Act)

(1) The Seller undertakes to comply with the stipulations of the EC Directives 2002/95/EC (RoHS I) 2011/65/EU (RoHS II), the stipulations of EU Regulation 1907/2006/EU (REACH) and EU Regulation 1272/2008/EU (CLP) in their current valid versions, as well as the additionally applicable statutory regulations relating to substances, in particular the Product Safety Act (for example relating to Polycyclic Aromatic Hydrocarbons (PAH) and the EU Conflict Minerals Regulation (Regulation (EU) 2017/821).

(2) The Seller shall also be responsible for compliance of the goods delivered by it according to the provisions of these regulations insofar as goods are not directly covered by the field of application of the aforementioned regulations if the goods are used for the production of electronic devices, which are covered by these provisions.

(3) The Seller undertakes itself and is accordingly responsible for its sub-suppliers that the products to be delivered to us have been produced without exploitative child labour within the meaning of the Conventions of the International Labour Organization (ILO) No. 182 and No. 138 and that all obligations arising from these Conventions, from their implementation or from possible other national regulations for the combating of exploitative child labour are complied with.

(4) In particular, the Seller is also obligated to comply with the human rights-related and environmentally-related prohibitions according to Section 2 para. 2 and Section 2 para. 3 of the LkSG (German Supply Chain Act), and may not violate these (cf. Section 2 para. 4 of the LkSG). The Seller hereby also assures that it will (i) appropriately address the human rights and environmentally-related specifications of Section 2 para. 2 and 3 of the LkSG along the supply chain, and (ii) attempt to contractually obligate its subcontractors to comply with these specifications. Regardless of the above obligations, the Seller hereby undertakes to comply with our “Supplier Code of Conduct” (available at https://www.metabo.com/t3/fileadmin/metabo/zen-trale_Inhalte/030_unternehmen/03_global-sourcing/KOKI_supplier_code_of_conduct_EN.pdf), which sets forth the ethical conduct standards, values and prin-

ciples, in particular human rights and environmental expectations that we require. Furthermore, the Seller is obligated to indemnify and hold us harmless from all damages we suffer if the Seller does not fulfil its human rights and environmental obligations, or has not passed these on in an appropriate manner along the supply chain.

Section 12 Choice of law and place of jurisdiction

(1) The laws of the Federal Republic of Germany shall apply to these Terms of Purchase and the contractual relationship between us and the Seller under the exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.

(2) If the Seller is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive – also international – place of jurisdiction for all disputes ensuing from the contractual relationship is our registered seat in Nürtingen, Germany. The same shall apply if the buyer is an entrepreneur within the meaning of Section 14 BGB. We are however in all cases also entitled to file an action at the place of performance of the delivery obligation according to these Terms of Purchase or a prior individual agreement or at the general place of jurisdiction of the Seller. Prior statutory regulations, in particular regarding exclusive jurisdictions, shall remain unaffected.