

GENERAL TERMS AND CONDITIONS OF PURCHASE

Maschinenfabrik Berthold HERMLE AG



I. Scope

1. Our General Terms and Conditions of Purchase are applicable to companies, legal entities under public law and special funds under public law.
2. Our Terms and Conditions of Purchase apply exclusively to all deliveries and services provided by a supplier to Maschinenfabrik Berthold HERMLE AG. We shall not recognise or accept any terms and conditions of the supplier that conflict with or deviate from our Terms and Conditions of Purchase unless we have expressly agreed to them in writing or in text form (e.g. by e-mail or fax). Our Terms and Conditions of Purchase shall also apply if we accept the supplier's delivery without reservation despite being aware of the fact that the supplier's terms and conditions conflict with or deviate from our Terms and Conditions of Purchase or if the deviating or supplementary terms and conditions are sent with the order confirmation.
3. Our Terms and Conditions of Purchase shall also apply to all future orders and purchases from the supplier, irrespective of whether the Terms and Conditions of Purchase are expressly agreed again.
4. All arrangements that are concluded between us and the supplier with regard to executing the contract shall be made in writing or in text form. All verbal agreements are subject to the written form or text form in order to be deemed valid.

II. Offers, orders, documents and confidentiality

1. Orders and delivery call-offs, as well as any changes and additions must be in writing or in text form.
2. The supplier is obliged to confirm the order without delay. If the supplier fails to accept our order within ten days after receipt of the order, we shall be entitled to cancel the order without the supplier being able to derive any claims from this action.
3. We reserve the right of ownership and copyright to any illustrations, drawings, calculations and any other documents provided by us. These documents and all other information that the supplier has received must be kept strictly confidential and must not be disclosed to third parties. They shall be used exclusively for the fulfilment of our order and may not be made accessible to third parties or used for third parties without our express written consent. Further, the documents must be returned to us unsolicited after expiry of the order. This obligation of confidentiality shall also apply after expiry of this contract. It shall lapse if and to the extent that the relevant production knowledge has become generally known or was demonstrably already known to the supplier before we provided notification of it.

III. Prices and terms of payment

1. The price stated in the order is binding. Unless otherwise agreed, the price includes delivery "free domicile", including freight, packaging and customs clearance.
2. Unless otherwise agreed, all prices include VAT at the current rate.
3. We can only process invoices if they include the order number and the order date specified in the order. The supplier shall be responsible for any consequences arising from non-compliance with this obligation, unless the supplier can prove that they are not responsible for them.
4. The following terms and conditions of payment shall apply insofar as nothing to the contrary is agreed. A 3% discount is offered if payment is made within 14 days of invoice receipt, or net payment is due within 30 days of invoice receipt. Within the meaning of these Terms and Conditions, receipt of an invoice requires delivery of the supplier's contractual obligation to our address, as well as the invoice, including the order date and order number, having been received at our head office.
5. We shall be entitled to set-off and retention rights to the extent permitted by law.

IV. Delivery schedules and scope of delivery

1. The delivery time stated in the order is binding, as are the agreed delivery dates.
2. The supplier is obliged to inform us immediately in text form if circumstances arise or become apparent that indicate that the stated delivery time cannot be guaranteed.
3. In the event of a delivery delay, we shall be entitled to exercise all statutory claims without restrictions.

4. If force majeure, industrial disputes, operational disruptions, official measures or other unavoidable events make it impossible or significantly difficult for us to fulfil our contractual obligations, we may, without prejudice to our other rights, withdraw from the contract, in whole or in part, or demand delivery at a later date, provided these events are not of insignificant duration and result in a significant reduction in our requirements.
5. The scope of delivery is defined by our specifications and service descriptions, including detail and assembly drawings, associated parts lists and order texts.
6. Our delivery lots are binding. Over/Under-deliveries may be made only with our express permission.

V. Checks, packaging and shipping

1. If the delivery of completely assembled units has been agreed, the supplier undertakes to inspect these units before delivery for completeness and for proper fastening and assembly in accordance with our drawings. The supplier must provide corresponding inspection plans upon our request.
2. Unless otherwise agreed, only reusable packaging is to be used. Lattice box pallets and Euro pallets shall be exchanged with the forwarding agent responsible for delivery at our incoming goods department, provided they meet the EPAL guidelines for exchangeable pallets. The supplier must ensure that any other exchangeable packaging units are returned without any additional costs arising for us. If the supplier uses non-returnable packaging contrary to agreements, they shall bear the costs of proper disposal. The supplier must observe the regulations of the forwarding agent in question. The supplier shall be liable for damage arising as a result of defective packaging, unless the supplier can prove that they are not responsible for the damage.
3. Unless otherwise agreed, delivery shall be "free domicile". The delivery note must be clearly visible on the outside of the consignment. Goods without a delivery note, a consignment note, any indication of the order, identification or drawing number, place of deposit or storage location do not have to be accepted. If we, nevertheless, choose to accept these goods, it will only be done against reimbursement of the additional administrative costs incurred by us.
4. If we have agreed in individual cases to bear forwarding costs, either in whole or in part, contrary to the current agreements, the supplier is to acknowledge that we are listed as an RVS-SVS prohibition customer.

VI. Transfer of risk, inspection and liability for defects

1. Even if the shipment of the goods has been agreed, the risk is only transferred to us when the goods have been handed over to us at the agreed destination.
2. We are obliged to inspect the goods for any deviations in quality or quantity within a reasonable period of time and to lodge a complaint about any deviations found. Any complaint will be regarded as having been made without delay if it reaches the supplier within five working days from the receipt of the goods or, in the case of hidden defects, from the time they are identified.
3. The general statute of limitations for claims relating to defects of quality or title is three years from the passing of risk.
4. Section 439, **BGB** (German Civil Code), applies to any claim for subsequent performance. A rectification of defect shall be deemed to have failed if the supplier has not implemented the necessary measures three working days after our notification of defects.
5. The right to claim damages, in particular the right to claim damages in lieu of performance, is expressly reserved.
6. Irrespective of the liability for material defects, we reserve the right to remedy the defect ourselves or have it remedied by third parties at the supplier's expense in cases in which the supplier is in default with subsequent performance or in urgent situations (to prevent imminent danger or to avoid significantly greater damage).
7. In the case of replacement deliveries and the rectification of defects, the limitation period for replaced and rectified parts shall start anew, unless we had to assume, based on the behaviour of the supplier, that the supplier did not consider themselves obliged to take the measure but only carried out the replacement delivery or rectification of defects as a gesture of goodwill or for similar reasons.

8. If claims are asserted against us by customers, the statutory provisions on delivery recourse shall apply without restriction to our recourse against the supplier.
9. If we incur additional costs as a result of a defective delivery, in particular transport (national and international), travel, labour, material costs or costs for an incoming goods inspection that go beyond the normal extent, the supplier must bear these costs.
10. The supplier guarantees
 - to manufacture delivery items according to our existing drawing,
 - to perform the inspections and checks stipulated on the drawing,
 - to ensure the material used complies fully with our drawing,
 - to only make changes after consulting with us and receiving written authorisation from us,
 - to meet our quality requirements in every respect,
 - to ensure that designs do not violate accident prevention regulations and that any necessary protective devices are included in the scope of delivery,
 - to ensure that the goods supplied were manufactured without the use of Russian steel, did not originate in Russia and were not exported from Russia and that all the deliveries comply with the requirements of Article 3g, Paragraph 1 of Regulation (EU) 833/2014, according to which, in particular, no products may be supplied that originate directly or indirectly in Russia or that have been processed in a third country incorporating products originating in Russia;
 - to ensure that all deliveries/services comply with the latest state-of-the-art techniques, the relevant international and national legal provisions and the regulations and guidelines of authorities, trade associations and professional organisations. If, in individual cases, it is necessary to deviate from these regulations, the supplier must obtain our express consent (in writing or in text form). The liability for material defects is not limited by this consent.

VII. Product liability, indemnity, liability insurance

1. Insofar as the supplier is responsible for product damage, the supplier shall be obliged to indemnify us against claims for damages by third parties upon first request insofar as the cause lies within the supplier's sphere of control and organisation and the supplier is liable in relation to third parties.
2. Within the scope of the supplier's liability, the supplier shall also reimburse all expenses arising from or in connection with a recall action carried out by us. Where possible and reasonable, we shall inform the supplier in advance of the content and scope of the recall measures that are to be carried out and give the supplier an opportunity to make a statement. This shall not affect other statutory rights.
3. The supplier undertakes to maintain a worldwide product liability insurance with a lump sum coverage of at least EUR 10 million per personal injury/property damage until the expiry of the respective warranty periods and to furnish proof of this on request by submitting the insurance policy; if we are entitled to further-reaching claims for damages, these shall not be affected by the scope of the insurance coverage.

VIII. Rights of protection

1. The supplier ensures that no rights of third parties are infringed in connection with the delivery.
2. If a third party makes a claim against us on the basis of protection rights which relates to the delivery of the supplier, the supplier shall indemnify us upon first request in relation to any such claim. We are not authorised to enter into any agreements with the third party without the supplier's consent, in particular to conclude a settlement. Regarding claims for damages, the supplier reserves the right to prove that they are not responsible for any infringement of third-party rights.
3. This indemnification obligation covers all expenses necessarily incurred by us from or in connection with a third-party claim, unless the supplier proves they are not responsible for the breach of duty in question.
4. The general limitation period for these claims is three years from the transfer of risk.

IX. Tools, provision, availability of spare parts

1. Any tools provided to the supplier shall remain our property. The supplier is obliged to use our tools exclusively for manufacturing the goods ordered by us and to insure them at replacement value against fire, water damage and theft at their own expense. At the same time, the supplier hereby assigns to us all claims for compensation under this insurance; we hereby accept the assignment. The supplier shall also be obliged to carry out necessary maintenance and inspection work for tools and all servicing and repairs at their own expense in good time. The supplier must notify us immediately of any faults. If these obligations are not met, the supplier must compensate us for any resulting damage unless they can prove they are not responsible for the breach of duty.
2. Tools shall become our property if the supplier has produced or had them produced specifically for the purpose of fulfilling our order and we have paid the invoiced manufacturing costs in full.
3. If we provide items or materials to the supplier, we shall retain title to them. The machining and processing of items or materials provided by us shall be carried out by the supplier on our behalf. If our reserved goods are processed with other items that do not belong to us, we shall acquire co-ownership of the new object in the ratio of the value of our goods (purchase price plus VAT) to the other processed items at the time of processing.
4. Upon completion of the order, the supplier must return our tools and associated documents without being requested to do so or, if our documents are stored electronically, delete them.
5. For a period of ten years from the delivery of the respective item to us, the supplier guarantees the availability of spare parts at standard market conditions, provided such parts are evidently required by us or our customers. Warranty obligations of the supplier shall remain unaffected by this.

X. Place of performance and jurisdiction, applicable law

1. The place of performance for all reciprocal obligations is D-78559 Gosheim, Germany, unless a different place of performance has been agreed.
2. The laws of the Federal Republic of Germany shall apply to all legal relationships between us and the supplier with the exclusion of the conflict-of-law rules of German private international law.
3. If the supplier is a merchant or has no general place of jurisdiction in Germany, the action shall, for all disputes arising from the contractual relationship, be brought before the court that has jurisdiction over our registered office. However, we also have the right to sue the supplier at the location of their registered office or at the location of their branch office.

XI. Miscellaneous

1. If items delivered to us are classified as dual-use, defence or nuclear goods, the supplier must inform us of this in the order confirmation and invoice, stating the corresponding export list item number (EL) or an Export Control Classification Number (ECCN).
2. The supplier guarantees that all products supplied containing digital elements, as well as any associated software, firmware and updates, comply with the relevant requirements of the Cyber Resilience Act (EU) 2024/2847 ('CRA'). When requested, the supplier will provide us with appropriate evidence of compliance, security documentation as well as information on identified vulnerabilities and security updates which have been made available. The supplier documents any open-source components used, including version numbers. Should the supplier become aware of any breaches of CRA requirements, they must inform us immediately and take all required measures at their own expense to restore conformity. The above obligations apply to the normal service life of the relevant product. They also apply in the event of any future amendments or additions, as well as in relation to delegated acts under the CRA, provided that these are relevant to the product.
3. Our Quality Assurance Conditions for Suppliers, the Code of Conduct for Suppliers of Maschinenfabrik Berthold Hermle and our Declaration of Principles on Respect for Human Rights and Environmental Rights of Maschinenfabrik Berthold Hermle AG, as stated in the version valid at the time an order is placed, are an additional component of all our orders. The supplier guarantees strict adherence to the standards defined therein by themselves and any vicarious agents acting on their behalf. When fulfilling the contract, the supplier will not engage any suppliers who they know, or reasonably should know, violate these standards.

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4. If any provision of these Terms and Conditions or other agreements shall be found to be invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of these Terms and Conditions or other agreements which shall remain in full force and effect.