

## General terms and conditions of purchase for Heimerle + Meule GmbH

### 1. General – scope

**1.1.** These General Terms and Conditions of Purchase (hereinafter only ‘Terms and Conditions’) of Heimerle + Meule GmbH shall apply to all contracts for the supply of goods and provision of services between suppliers of goods or providers of services (hereinafter ‘Contractors’) and Heimerle + Meule GmbH (hereinafter ‘Heimerle + Meule’), except for contracts for the acquisition of products containing precious metals and the purchase of raw materials. However, they shall only apply to enterprises and entrepreneurs within the meaning of German Civil Code (*Bürgerliches Gesetzbuch*, BGB) s 310(1).

**1.2.** Our Terms and Conditions shall apply to the exclusion of all others; we shall not recognise any of the Contractor’s terms and conditions that contradict or vary from our Terms and Conditions unless we would have given our explicit, written acceptance of their validity. Our Terms and Conditions shall be applicable even if we unconditionally accept the Contractor’s supply of goods or delivery of services or make payments while knowing of the Contractor’s conditions that contradict or vary from our Terms and Conditions.

**1.3.** Furthermore, these Terms and Conditions shall apply to all future purchase orders with the Contractor, even if their applicability has not been explicitly agreed with the Contractor. If the Contractor has acknowledged the Terms and Conditions, the Terms and Conditions shall apply to all future contracts with the Contractor.

**1.4.** All agreements that we and the Contractor enter into for the purposes of performing a contract shall be recorded in writing in that contract.

**1.5.** Faxes, transmitted data and emailed scans shall also be satisfactory for the written-form requirement.

### 2. Quotation – quotation documents

**2.1.** Quotations from a Contractor shall normally be binding. If in doubt, the period for which they are binding shall be two weeks unless explicitly agreed. Quotations and estimates of a Contractor shall be provided to us without charge and shall not establish any obligations for us.

**2.2.** The Contractor shall make explicit reference to any variances from our enquiry in its quotation and offer us additional options that are technologically better or more economical compared to our enquiry.

**2.3.** Should a purchase order simultaneously represent an offer of a contract, this offer shall normally be subject to change, including with regard to the indicated prices. The Contractor shall be obliged to accept this purchase order (offer) within two weeks (acceptance deadline) by giving a written order confirmation. We may reverse a purchase order at any time until it has been accepted.

**2.4.** If the order confirmation varies from the purchase order, e.g. in terms of its specifications, price or delivery time, the Contractor shall make special reference to this for us. These variances shall only become an integral part of the contract when they have been confirmed by us in writing. Variances shall not be accepted if explicit reference is not made to them, even if no explicit objection has been made to them.

**2.5.** We may also demand modifications of the goods supply or service provision provided they are reasonable for the Contractor. Appropriate consideration shall be made of the impacts on both Parties when such contract modifications are made, particularly with regard to added or reduced expenses and the delivery dates.

**2.6.** The Contractor shall be responsible for thoroughly examining local conditions prior to submission of its quotation and inspecting all relevant documents in order to check the feasibility of the service and compliance with technical and other regulations. The Contractor shall immediately notify us of any concerns of any kind.

**2.7.** We reserve all property rights and copyrights to illustrations, drawings, calculations and other documentation; such items may not be made accessible for third parties without our explicit written permission. These materials shall be used only for the production made necessary by our purchase order; they shall be returned to us upon completion of the order without awaiting a request to do so. They shall be kept confidential before third parties; in this respect, the provisions of section 16 (Non-Disclosure Obligation) shall apply complementarily.

### 3. Prices – terms of payment

**3.1.** All stipulated prices shall be fixed prices with carriage paid. Prices shall be deemed inclusive of all additional costs such as freight, conveyance, packaging, insurance (where customary cargo insurance can be acquired), duties, dues and other additional costs. The statutory rate of value added tax shall be included in the price.

**3.2.** Price increases or additional charges shall only be recognised if an explicit, written agreement has been made for them. If the Contractor lowers its prices prior to supply of the goods or provision of the services, then the price applicable on the day of supply/provision shall be used as a basis for invoicing.

**3.3.** We can only process invoices when they state the order number indicated in the purchase order, the consignment’s intended customer and the cost centre, in accordance with the specifications in our purchase order. Evidence of performance and other documentation shall be attached to invoices. The Contractor shall be responsible for all consequences of non-compliance with these obligations, unless the Contractor proves that it was not responsible for them.

**3.4.** The Contractor declares itself willing to participate in a credit note system if requested by us.

**3.5.** Unless otherwise arranged in writing, payment shall be made after full and proper receipt of the goods/services and after receipt of a correctly issued invoice; we shall be at liberty to choose payment within fourteen days with an early-payment discount of 3% or within thirty days at the full amount. Subtracting an early-payment discount shall be permissible even if we offset accounts or withhold a reasonable amount of payments (e.g. due to defects); in the latter situation, the due date for the early-payment discount shall be counted from the time of full defect resolution.

**3.6.** We shall be entitled to rights to offset accounts and claims and to retain performance within the scope provided by law.

**3.7.** Payment by us shall not be deemed acknowledgement of the Contractor’s goods or services being as contractually agreed.

**3.8.** The Contractor shall not be authorised to assign claims to which it is entitled from us or to have such claims collected by third parties unless it has our written permission; we may not unreasonably deny such permission. The provisions of German Commercial Code (*Handelsgesetzbuch*, HGB) s 354a shall not be affected by this.

### 4. Delivery dates – delays – modification of goods supplied/services provided

**4.1.** The dates stipulated for the supply of goods and provision of services shall be binding; the Contractor shall comply with them. For the supply of goods, compliance with delivery dates shall be determined based on the delivery of the goods to us during ordinary business hours, free of defects and with the required cargo documents, at the destination specified in the purchase order. If a delivery with assembly or service has been agreed, compliance with the delivery date shall be determined based on the handover after proper execution of the assembly/service. If acceptance testing has been stipulated by contract or mandated by law, compliance shall be determined based on the time of acceptance. Partial, excess or advance deliveries shall only be permitted after our prior approval. Any additional expenses incurred shall be borne by the Contractor.

**4.2.** Any modification of the goods being supplied or service being provided shall require our prior written approval.

**4.3.** The Contractor shall be required to notify us in writing without delay when such circumstances arise or become identifiable for the Contractor that it may not be able to discharge its contractual obligations in whole or in part, or may not be able to do so in time. The Contractor shall give cause and state the estimated duration of the delay as part of this notice. Giving notice shall not alter the binding nature of the agreed date. Unconditionally accepting a delayed delivery (or part of one)/service (or part of one) shall not be deemed as us waiving rights or entitlements based on the delayed goods/service.

**4.4.** In the event that the supply of goods/provision of a service is delayed, we shall be entitled to demand a delay penalty lump sum of 1% of the net order value per full week of delay, capped at 5%; the right to assert further statutory entitlements (withdrawal and compensation instead of contract performance) shall be reserved. The Contractor shall be entitled to demonstrate to us that no losses, or

only losses of a significantly lesser amount, have been caused as a result of the delay.

## 5. Delivery – documents – passage of risk

**5.1.** Unless otherwise arranged in writing, the place of performance of the service(s) shall be the principal place of business of Heimerle+Meule, Pforzheim. Goods shall be delivered 'DAP Delivered At Place (Incoterms 2010)', inclusive of packaging. We and the recipient designated by us shall be notified in advance of each delivery.

**5.2.** Each delivery shall be accompanied by a consignment note in duplicate, a packing list and all other documents required for the specific delivery. The purchase order number provided by us, gross/net weight, type of packaging (disposable/recyclable), number of packages, completion date, destination (place of unloading), goods recipient, customs tariff number, UN and CAS numbers, cost centre, intended customer and origin of the goods shall be provided in the consignment note and with all delivery documents. If the goods are packed, the consignment note and delivery documents shall be externally affixed to the packaging. Should the Contractor fail to do this, we shall not be responsible for any processing delays experienced as a result.

**5.3.** For deliveries from non-EEA countries (imports), Heimerle+Meule shall be specified as the importer (declarant) in the delivery documents. The Contractor shall assist us with all documents and information necessary to compile a full and correct import declaration and shall lodge them correctly with the relevant customs authorities.

**5.4.** The Contractor shall act with great care and in the interests of Heimerle+Meule when delivering goods. Goods shall be packed in such a way that damage in transit is prevented. The Contractor shall be liable in accordance with statutory provisions for damage and losses incurred as a result of improper packaging.

**5.5.** For inland deliveries, the Contractor shall collect or have third parties collect from the destination any repackaging, cargo packaging or sales packaging that accrues, if we so request.

**5.6.** Quantities, weights and dimensions shall be based on the values we calculate during the goods-receiving check, unless proven otherwise.

**5.7.** Unless otherwise arranged in writing, we shall obtain simple, non-time-limited rights to use software that falls within the scope of a product's delivery at the time of delivery. Permissible use for us shall in particular include reproduction for back-up purposes, installation of software and running of software. With regard to supplied software and the associated documentation, we shall have a right to use it with the agreed performance characteristics in the scope necessary for the contractual use of the product. Permissible use shall furthermore include the right to pass on the software as an integral component of the (hardware) product and the granting of rights to use this, provided such actions are necessary for the use of the (hardware) product.

**5.8.** The Contractor shall bear the risk of accidental loss, destruction or deterioration until receipt of the contractual goods by us or our representatives at the goods' destination. If delivery with assembly or service has been agreed, risk shall pass after proper execution of the assembly or service and after handover.

**5.9.** If acceptance testing is mandated by law or agreed by contract, risk shall pass on acceptance by us. If formal acceptance has been stipulated, risk shall not pass prior to confirmation of successful acceptance by us in the acceptance testing report. Payment of invoiced amounts shall not substitute formal acceptance.

**5.10.** The Contractor shall pack, mark and send out products that can pose a hazard (such as materials, compounds and objects) in accordance with relevant national and international regulations. The Contractor shall fulfil all obligations applicable to a supplier within the meaning of Regulation (EC) No. 1907/2006 ('REACH Regulation') Art 3(32) in relation to the object delivered. In particular, the Contractor shall provide us with a safety data sheet in accordance with REACH Regulation Art 31 in the recipient country's language in all situations prescribed in REACH Regulation Art 31(1) to (3).

**5.11.** The Contractor shall be held responsible for the collection and disposal obligation under German Electrical and Electronic Devices Act (*Elektro- und Elektronikgerätegesetz*, ElektroG) s 10(2) and carry any costs associated with it.

## 6. Quality of the goods supplied/service provided – adherence to legal requirements

**6.1.** The Contractor shall at all times be obliged to supply goods and provide services that are free of defects, to comply with agreed product or service specifications and, furthermore, provide the contractually guaranteed properties and characteristics. Additionally, the Contractor shall be responsible for supplied goods and provided services being best practice and, if relevant, meeting generally recognised standards of safety technology, occupational medicine and hygiene, being performed by professionally qualified staff and following all relevant legal provisions at the destination. If the goods supplied consist of machines, devices or technical equipment, they shall meet the special safety specifications for machines, devices and technical equipment applicable at the time of performing the contract and shall possess a CE marking.

**6.2.** The Contractor shall ensure that no industrial property rights of third parties or other rights of third parties are infringed in connection with or by its supply of goods/provision of a service.

**6.3.** The Contractor shall take independent responsibility for ensuring that the goods supplied by it or parts thereof follow all applicable laws, directives, regulations or other legal provisions and regulations issued by authorities and trade associations. The same shall apply accordingly to services.

**6.4.** In particular, the Contractor shall take independent responsibility for ensuring that the goods supplied by it or parts thereof are not subject to national or international export restrictions. Should goods or parts thereof be subject to such an export restriction, the Contractor shall procure the requisite export licences for global export at its own expense.

**6.5.** Moreover, the Contractor shall take independent responsibility for ensuring that the goods supplied by it or parts thereof unconditionally meet the requirements of Directive 2002/95/EC ('RoHS') as amended as well as the national regulations issued within the European Union through the implementation of said directive.

**6.6.** The Contractor shall also ensure that all substances incorporated into the delivered goods have valid pre-registrations, registrations (or exemptions from the registration obligation) and, if relevant, authorisations for the usages indicated by us in accordance with the applicable requirements of the REACH Regulation. If the delivered goods consist of a product within the meaning of REACH Regulation Art 7, the preceding sentence shall apply in relation to the substances released by such products. The Contractor shall immediately inform us if a component of a product contains a concentration of more than 0.1% w/w of a substance of very high concern meeting the criteria in REACH Regulation Arts 57 and 59.

**6.7.** In the event that a breach of the aforementioned provisions is found, for whatever legal reasons, the Contractor shall explicitly indemnify us and assume liability for all damage and losses incurred through that, provided the Contractor is responsible for this contravention.

## 7. Defect claims

**7.1.** We shall enjoy the full statutory entitlements applicable for defects; in each case, we shall be entitled to demand that the Contractor resolve the defect or supply a new object, at our choice. We shall explicitly reserve the right to compensation, and in particular the right to compensation in lieu of the service.

**7.2.** The place of any remedial performance shall be the geographical location of the object in accordance with the intention behind the object. This location shall be the location at which the object is situated at the time of reporting the defect.

**7.3.** Should the Contractor not begin to resolve the defect after our request to resolve the defect, we shall in urgent situations be entitled to seek a remedy, particularly to avert urgent hazards or avoid greater damage or losses, in the form of resolving the defect ourselves or having third parties resolve the defect at the Contractor's expense, in either case after setting a reasonable, short deadline.

**7.4.** Other mandatory legal provisions for supplier recourse shall not be affected.

**7.5.** We shall examine goods and provided services for quality or quantity discrepancies and externally identifiable damage in transit within a reasonable period of time, provided the commercial examination and complaint obligation under HGB s 377 applies. Heimerle+Meule shall not be subject to any further examination obligations unless explicitly agreed. In the event of obvious defects or deviating quantities, complaints shall in all cases be deemed to be on time if they are received by the Contractor within five working days of receipt of the object. In the event of covert defects, complaints shall in all cases be deemed to be on time when they are received by the Contractor within five days of discovery of the defect.

**7.6.** We shall be obliged to complain about defects in partial deliveries only when this has been explicitly agreed with the Contractor. The preceding paragraph shall apply in respect of the timeliness of complaints about defects.

**7.7.** If acceptance testing by us is legally mandated or contractually agreed, we may deny acceptance and retain any payment instalments linked to it when the service has not been provided in full or is defective. This shall also apply in the event of an agreed acceptance date or an acceptance deadline for us set by the Contractor.

**7.8.** If a third party takes legal action against us due to a breach of rights of third parties, the Contractor shall be obliged to indemnify us for these claims on first request unless the Contractor proves that it is not responsible for the breach. The Contractor's indemnity obligation shall include all expenses that we necessarily incur from or in connection with the legal action taken by the third party. In addition, if requested by us, the Contractor shall immediately provide us with the information, data and documents about its supplied goods/provided service that are required for legal defence against such claims (our information entitlement).

**7.9.** The limitation period for indemnity claims shall be three years. The limitation period for indemnity claims shall commence at the end of the year during which the claim arose and we gained knowledge of the circumstances establishing the claim and of the identity of the debtor or would have gained such knowledge without gross negligence. Any longer limitation periods prescribed by law shall have precedence. This shall also apply to the additional information entitlement described above.

**7.10.** Claims based on defects in quality shall be time-barred after sixty-six months, except in cases of deceit, provided the object is used in accordance with its conventional usage for a structure, a photovoltaic installation or heating equipment and caused the defectiveness of one of these items. Otherwise, defect claims shall be time-barred in thirty-six months. The limitation period shall commence on delivery of the object underpinning the contract to their destination (passage of risk) or, if acceptance testing has been agreed for the delivery, on acceptance. Any longer limitation periods prescribed by law shall have precedence. For claims based on defects in title, the above provisions regarding the expiry of indemnity claims shall apply accordingly; they shall be time-barred after thirty-six months. Any longer limitation periods prescribed by law shall have precedence.

## **8. Product liability – indemnification – product liability insurance**

**8.1.** Where the Contractor is responsible for a product defect, it shall be obliged to indemnify us on first request for third-party compensation claims to the extent that the defect's cause lies within its area of control and organisation and to the extent that it is itself liable to third parties.

**8.2.** As part of its liability for events of loss within the meaning of subsection 1, the Contractor shall also be obliged to reimburse us any expenses under BGB ss 683 and 670 or BGB ss 830, 840 and 426 that arise from or in connection with a product recall initiative that is lawfully performed by us. Where possible and reasonable, we shall give the Contractor timely, advance notice of the specific items subject to a product recall and of the scope of this recall, and shall afford the Contractor an opportunity to state its position.

**8.3.** We shall take charge of the required notice to the relevant authority in accordance with the provisions of the German Product Safety Act (*Produktsicherheitsgesetz*, ProdSG) in coordination with the Contractor.

**8.4.** The Contractor shall be obliged to maintain product liability insurance with an insured sum appropriate for the specific product and industry – in cases of doubt a lump sum of €10 million per personal injury/case of property damage – for the term of this contract, i.e. until the limitation period for the relevant defect claims expires; should we enjoy further compensation entitlements, they shall not be affected by this.

**8.5.** Our liability shall otherwise be based on legal provisions.

## **9. General liability rules, liability insurance**

**9.1.** Unless otherwise regulated in these General Terms and Conditions of Purchase, the Contractor shall have liability in accordance with statutory provisions and shall be held liable for the culpability of its agents and subcontractors as if it were the Contractor's own culpability.

**9.2.** The Contractor shall maintain sufficient liability insurance for losses for which it and its agents and assistants are responsible at its own expense. Evidence of the sum insured for each policy claim shall be provided to Heimerle+Meule if requested. The Contractor's contractual and statutory liability shall not be affected by the scope and amount of its insurance cover.

## **10. Rights to withdraw and terminate**

**10.1.** We shall enjoy a right to withdraw from the contract beyond statutory withdrawal rights when there is a threat of a significant deterioration in the Contractor's finances, or such deterioration has already taken place, and the performance of an obligation to supply goods to or provide a service for us is at risk.

**10.2.** Furthermore, we shall be entitled to withdraw from the contract when the Contractor is unable to make payments, ceases making payments, experiences circumstances that threaten to render it unable to make payments in accordance with German Insolvency Act (*Insolvenzordnung*, InsO) s 18 or begins to exhibit excessive indebtedness, when a petition is filed to commence insolvency proceedings for the Contractor's assets or comparable proceedings to restructure debt or when the commencement of insolvency proceedings for the Contractor's assets is denied due to their insufficiency.

**10.3.** Should the situation be one of continuing obligations, subsections 1 and 2 shall apply accordingly, with an extraordinary right of termination taking the place of the right of withdrawal.

**10.4.** If the Contractor should have rendered part of a service, we shall be entitled to withdraw from the contract in its entirety if we have no interest in this part of the service.

**10.5.** These paragraphs shall not restrict any statutory rights or entitlements.

**10.6.** Each Party shall have a right to terminate the contract for a significant reason when the legal requirements have been met, such as with ongoing obligations under BGB s 314 or contracts for the provision of a particular result under BGB s 648a. In particular, a significant reason to terminate the contract shall also be if the Contractor breaches an obligation in a relationship of ongoing obligations and does not provide a remedy by a reasonable deadline set by Heimerle+Meule in conjunction with a threat of termination or if the Contractor has been cautioned without any result, or when the trusting nature of the relationship is significantly impacted due to circumstances arising after entry into the contract, e.g. due to violation of criminal codes and engagement in administrative offences by the Contractor or persons connected to the performance of the contract whose conduct must be attributed to the Contractor, or the Contractor experiences a significant deterioration in its finances in accordance with subsection 2, such that the performance of the contract is at risk or the Contractor does not fulfil its obligation to deduct taxes or social security contributions, or if there exist other circumstances that make it unreasonable for the Client to continue with the contract.

**10.7.** If we withdraw from the contract or terminate the contract pursuant to the withdrawal and termination rights set out above, the Contractor shall compensate us for the losses incurred through withdrawal or termination unless it is not responsible for these withdrawal or termination rights becoming applicable.

**10.8.** If the Contractor should have received documents, records, plans or drawings from us as part of the contractual cooperation or for the purpose of performing the contract, it shall immediately return them to us in the event of withdrawal or termination by a Party.

## **11. Notification obligations – spare parts – readiness for delivery**

**11.1.** The Contractor shall immediately provide written notice of changes in the manner of the processed material's composition or realised design of similar goods supplied to and similar services provided for Heimerle+Meule previously. Changes shall require the written approval of Heimerle+Meule.

**11.2.** The Contractor shall be obliged to keep a supply of spare parts for the ordinary lifetime of the object delivered pursuant to the contract, and in any case no fewer than ten years after the final delivery, and to supply them to Heimerle+Meule on reasonable terms.

**11.3.** Should the Contractor cease production of ordered objects, such as raw materials, components, products, etc., before or after the above deadline passes, it shall immediately inform Heimerle+Meule of this in writing and afford Heimerle+Meule the opportunity to make a final order on reasonable terms.

## **12. Rights of use**

**12.1.** By supplying goods/providing a service, the Contractor shall grant to Heimerle+Meule, without any restrictions over geography, content or time, a right to use and exploit all plans, drawings, illustrations, calculations and other documents that concern the contract and that the Contractor either produced itself or had produced by third parties in any known media formats for the contractually agreed purposes or purposes required under the contract.

**12.2.** For results of work that the Contractor has produced individually for Heimerle+Meule or had produced by third parties individually for the Client, the Contractor shall furthermore grant Heimerle+Meule an exclusive right of use and exploitation and shall procure any grant of rights potentially required for this from the third parties. The preceding rights of the Contractor and third parties shall not be affected by this.

### **13. Retention of title – Client-provided parts – tools**

**13.1.** Where we provide parts to the Contractor, title to them shall remain vested in us. Any processing or transformation by the Contractor shall be done for us. Where our goods that are subject to retained title are mixed with other objects not belonging to us, we shall acquire an interest in the new object corresponding to the proportion of our object's value (purchase price plus value added tax) to that of the other processed objects at the time of mixture.

**13.2.** Where the object provided by us is inseparably mixed with other objects not belonging to us, we shall acquire an interest in the new object corresponding to the proportion of the value of the object subject to retained title (purchase price plus value added tax) to that of the other mixed objects at the time of mixture. Should the mixture be done in such a way that the Contractor's object must be seen as the primary object, it shall be deemed agreed that the Contractor transfer to us an interest proportionate to the value of the provided object; the Contractor shall safeguard the sole ownership or interest for us without charge.

**13.3.** Title to tools shall remain vested in us; the Contractor shall be obliged to use the tools exclusively for the production of the goods ordered by us. The Contractor shall furthermore be required to insure, at its own expense, the tools that belong to us at replacement value for cover of fire damage, water damage and theft. Simultaneously, the Contractor hereby assigns to us all entitlements to compensation from this insurance. Heimerle+Meule hereby accepts this assignment. The Contractor shall be required to carry out any required upkeep and inspection work and all maintenance and repair work on our tools in a timely manner and at its own expense. It shall immediately inform us of any malfunctions; entitlements to compensation shall remain unaffected if it culpably omits to do this.

### **14. Engagement of subcontractors/third parties**

Our prior written approval shall be required for any engagement of third parties for the provision of the contractually owed services (including subcontractors of any degree) and for any swap of third parties. If the engagement of third parties during the performance of the contract is intended on the Contractor's part from the outset, this detail shall be communicated at the time of initiating the contract or submitting the quotation. Responsibility shall remain with the Contractor for the purposes of Heimerle+Meule, even if approval is given to the engagement of subcontractors.

### **15. Physical presence at Heimerle+Meule, performance of work**

**15.1.** Contractors as well as any subcontractors/third parties engaged who perform work on the company premises of Heimerle+Meule in order to perform the contract shall comply with applicable laws and regulations as well as our company rules. All employees of the Contractor and of engaged subcontractors who access the company premises shall be obliged to submit to the regulations applicable to the company premises, especially the conduct policies for external companies. In particular, they shall be obliged to undergo the regular entry and exit checks and, if given cause, a physical inspection. The Contractor shall be obliged to instruct employees and engaged subcontractors accordingly and obtain their consent to these regulations.

**15.2.** Being physically present on the company's premises comes with personal risk and is done at the risk of the Contractor or subcontractor engaged. Contractors shall be responsible for the instruction and safety of their employees and subcontractors and for securing sources of risk for third parties. The Contractor may on the company premises only engage employees with sufficient technical qualifications and only use safe-to-operate tools. Accidents transpiring on the company's premises shall be reported to us immediately.

**15.3.** An obligation to wear personal protective equipment (regulation footwear, trousers and, if relevant, special clothing) applies on the company's premises. Directions to employees given by Heimerle+Meule, especially its safety officers and security staff, shall be fully obeyed. The Contractor shall be obliged to ensure cleanliness and tidiness and to remove waste and residues after performing any work, regardless of whether the contract ended ordinarily or ended prematurely

due to withdrawal or termination. Should the Contractor not fulfil these obligations, Heimerle+Meule may, after setting a reasonable deadline and it passing unsuccessfully, carry out the work itself or contract a third party for it and charge the Contractor for the expenses incurred.

**15.4.** The Contractor shall be liable for all damage and losses that are incurred by its employees and/or engaged subcontractors.

### **16. Non-disclosure obligation – prohibition of advertising**

**16.1.** Models, samples, drawings, data, materials and other documents that Heimerle+Meule provides to the Contractor (hereinafter just 'documents') shall remain the property of Heimerle+Meule and shall be returned to Heimerle+Meule on request at any time. A right for the Contractor to retain documents shall be excluded. The Contractor shall observe the copyrights of Heimerle+Meule to the documents.

**16.2.** Absent any statutory, judicial or government disclosure obligations, the Contractor shall be obliged to keep confidential all technical, scientific, commercial and other information that the Contractor directly or indirectly obtains as part of the contract (hereinafter 'confidential information'), not to use it for commercial purposes, not to make it the subject of industrial property rights, not to disclose it to third parties and not to make it accessible for third parties in any other ways.

**16.3.** Confidential information shall not include information that is already in the lawful possession of the Contractor, is lawfully common knowledge or had been lawfully obtained by third parties at the time the confidential information is provided.

**16.4.** Also exempt from this non-disclosure obligation shall be information that is disclosed to persons who are subject to a statutory confidentiality obligation and the Contractor undertakes not to release such persons from this confidentiality obligation. The Contractor shall carry the burden of proof for the applicability of this exemption.

**16.5.** The Contractor shall be entitled to pass on confidential information to subcontractors authorised by Heimerle+Meule provided this information is urgently needed by the subcontractor in order to perform the contract.

**16.6.** The Contractor shall make suitable contractual arrangements to ensure that the employees, subcontractors and other agents engaged for the performance of the contract are also subject to corresponding non-disclosure obligations. Furthermore, the Contractor shall be obliged to secure confidential information against unauthorised access by using appropriate secrecy measures and to comply with statutory and contractual provisions regarding data protection when processing confidential information. If desired, the Contractor shall provide the Client with written confirmation of compliance with these obligations.

**16.7.** Confidential information may not be used for any purpose other than the performance of the contract. The above non-disclosure obligation shall apply for a period of five years following the end of the contract.

**16.8.** The Contractor may only make reference to there being a business relationship with Heimerle+Meule with the prior written approval of Heimerle+Meule, unless this is absolutely necessary for the performance of the contract.

### **17. Regulatory compliance**

**17.1.** The Contractor shall comply with relevant statutory regulations concerning dealings with employees, environmental protection and occupational health and safety; and shall work to reduce disadvantageous impacts on people and the environment during its work.

**17.2.** As part of its business relationship with us, the Contractor shall in particular be obliged not to offer or provide benefits that violate applicable (anti-)corruption regulations or to demand or accept such benefits, either in the course of business or when dealing with officials.

**17.3.** Furthermore, the Contractor shall be obliged as part of its business relationship with us not to make arrangements or engage in coordinated behaviours with other companies that have the intention or effect of preventing, limiting or misrepresenting competition in accordance with applicable regulations under competition law.

**17.4.** Moreover, the Contractor shall provide assurance that the employees engaged by it, its subcontractors or personnel service companies in order to perform contracts receive the statutory minimum wage under the German Minimum Wage Act (*Mindestlohngesetz*, MiLoG) or, when the services being provided are subject to the applicability of the German Internationally Posted Workers Act (*Ar-*

*beitnehmer-Entsendegesetz, AEntG*), the minimum wage mandated for the relevant industry. Likewise, the Contractor shall ensure that mandatory obligations regarding the payment of contributions to social security agencies, trade associations and other institutions such as the joint institutions of collective agreement parties as specified in AEntG s 8.

**17.5.** The Contractor shall further recognise our 'Heimerle + Meule GmbH Policy on Gold Supply Chains', the 'Code of Conduct' of the Precious Metals Professional Association (FVEM) and the 'Heimerle + Meule GmbH Policy on Laws, Human Rights, Environment and Health' (all available to view at <https://www.heimerle-meule.com/company/responsibility/policy-concerning-conflict-minerals/>) as contractually binding obligations and principles of conduct.

**17.6.** The Contractor shall implement suitable measures to prevent violations of compliance with the regulations laid out in the preceding paragraphs. To this end, the Contractor shall obtain corresponding undertakings from persons employed by it in particular and from subcontractors or other third parties engaged by it.

**17.7.** The Contractor shall immediately inform us of the initiation of any official investigation proceedings due to a violation. Furthermore, if there are indications of a violation, we shall be entitled to demand written information about the violation and the actions taken to rectify it and prevent it in the future.

**17.8.** In the event of grave violations of the law by the Contractor or grave violations of the regulations specified in the preceding paragraphs, we shall reserve the right to withdraw from existing contracts or to terminate them without notice.

## **18. Data protection**

**18.1.** Should Heimerle+Meule provide the Contractor with personal data of its employees (hereinafter 'personal data') as part of the performance of the contract, or should the Contractor in some other way acquire knowledge of personal data, the following provisions shall apply.

**18.2.** Personal data disclosed in the above manner and not processed on behalf of Heimerle+Meule may be processed by the Contractor solely for the performance of the contract and not in any other way; it especially may not be disclosed to third parties and/or analysed for internal purposes and/or used to build profiles. The Contractor may further process personal data, including in particular sharing it with affiliated companies in its group of companies in order to perform the relevant contract, insofar as this is legally permissible.

**18.3.** The Contractor shall ensure that the personal data is only made accessible to the employees who are engaged to perform the relevant contract and also only to the extent required for the performance of this contract (need-to-know principle). The Contractor shall design its internal organisational structure such that it meets the requirements of applicable data protection laws. In particular, this shall include technological protection measures adapted to best practice (GDPR Art 31) and employee obligations concerning confidentiality and upholding data protection (GDPR Art 28(3)(b)).

**18.4.** The Contractor shall not acquire any rights to the personal data and shall be obliged to rectify, erase and/or restrict the processing of personal data at all times based on statutory requirements. Any rights of retention in relation to personal data shall be excluded.

**18.5.** In addition to its statutory obligations, the Contractor shall immediately, and in no later than 24 hours, inform the client of any breach of the protection of personal data, particularly in cases of loss. When the relevant contract ends, the Contractor shall erase the personal data, including all copies produced of it, in accordance with statutory specifications.

## **19. General provisions**

**19.1.** Solely German law, excluding conflict-of-law rules and UN sales law (CISG), shall apply to all contractual relationships.

**19.2.** Where the Contractor is a legal entity or registered merchant, venue shall be where our principal place of business is; however, we shall be entitled to choose to pursue legal action at the court for the Contractor's principal or other place of business.

**19.3.** Unless otherwise arranged in writing, the place of performance shall be the principal place of business of Heimerle+Meule in Pforzheim.