

# International General Purchasing Conditions

of HS Products Engineering GmbH

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**HS Products Engineering GmbH**

[www.hsp-engineering.de](http://www.hsp-engineering.de)

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HSPE\_01-23

## International General Purchasing Conditions of HS Products Engineering GmbH

### 1. Validity of the General Purchasing Conditions

- 1) All orders from HS Products Engineering GmbH (hereinafter collectively referred to as "HSPE") are made exclusively on the basis of these General Terms and Conditions of Purchase, which also applies to all future business relationships, even if the validity of these terms and conditions is not expressly agreed again there. The SUPPLIER has read and understood the present conditions of purchase. He hereby declares that he accepts these as legally binding with the written acceptance of the order (according to 3.1) or with the start of the execution of the delivery. The SUPPLIER's general terms and conditions only apply to the extent that they agree with these general terms and conditions of purchase; HSPE hereby expressly objects to a more extensive inclusion of such conditions of the SUPPLIER, which is also deemed to have been confirmed by the SUPPLIER without any further written form.
- 2) Deviations from these international general purchasing conditions are only effective if HSPE confirms them in writing.

### 2. Affiliates

- 1) Affiliated companies generally mean, in relation to a party, all companies that directly or indirectly control the party or are controlled by a party. In the case of HSPE, Dekosys Mexico, S. DE R.L. EN C.V. as an affiliate.
- 2) These general purchasing conditions also apply to all orders from HSPE affiliated companies to the supplier or its affiliated companies.

### 3. Orders

- 1) HSPE places an order with the SUPPLIER for the goods (e.g. parts, tools, fixtures, etc.) or services. The acceptance of the order by the SUPPLIER is expressly limited to the provisions contained in the order and to the present conditions of purchase and any price and delivery contract or call order that may exist for these goods. All other and/or deviating contractual or delivery conditions of the SUPPLIER are expressly excluded and do not become part of the delivery contract or price and delivery contract/call order, unless the parties have agreed to this in writing. Each order that the SUPPLIER accepts in accordance with Clause 2.2 constitutes a separate delivery contract. In the event of a discrepancy or conflict between a delivery contract and these Conditions of Purchase, the contract of delivery takes precedence over these Conditions of Purchase.

Offers, delivery contracts (order and acceptance) and order confirmations as well as call-offs and their changes and additions are made in writing, by fax or electronically.

- 2) Orders that the SUPPLIER does not accept in writing within two weeks of receipt become non-binding. Delivery call-offs become binding at the latest if the SUPPLIER does not object to them in writing within 5 working days of receipt.
- 3) HSPE is entitled to demand reasonable changes in the construction and design of the delivery item from the SUPPLIER at any time. The contractual partners will mutually agree on a corresponding supplementary agreement in writing that is appropriate with regard to the effects, in particular the additional and reduced costs and the delivery dates. The SUPPLIER is only entitled and obliged to make the requested changes once this supplementary agreement has been concluded.
- 4) HSPE may terminate the price and delivery contract or call-off order by notifying the SUPPLIER, in particular, if the SUPPLIER
  - breaches the price and supply agreement or call order and there is no remedy for this breach, or
  - Breaches the price and delivery contract or call order, a remedy for this breach is possible, but not within 30 days after the SUPPLIER has received a corresponding notification from the HSPE, in which the HSPE describes the breach and requests its remedy.

Other and more extensive termination rights of the HSPE, f. e. on the basis of the law, remain unaffected.

- 5) If one of the parties becomes insolvent or if insolvency proceedings or judicial or extrajudicial composition proceedings are opened against one of the parties, the other party is entitled to terminate the price and delivery contract or call order immediately by means of a corresponding written notification.
- 6) If a price and delivery contract or call order and/or an associated framework delivery contract is terminated in accordance with this Section 3, the rights and obligations of the parties that have arisen up to that point and the continued validity of such provisions remain unaffected, which are expressly or included to apply after termination.
- 7) The quantities specified in inquiries and/or offers are only non-binding

orientation values, f. e. for price calculations and do not create an obligation for HSPE to order these quantities. The delivery quantities specified in orders, regardless of what type, are not related to quantities specified in inquiries and/or offers.

### 4. Delivery Dates and Deadlines - Delay in Delivery

- 1) Unless otherwise agreed, the delivery dates and periods stated in the order are binding. The receipt of the goods by HSPE is decisive for compliance with the delivery date or the delivery period. Unless delivery "free domicile" has been agreed anyway, the SUPPLIER must make the goods available in good time, taking into account the usual time for loading and shipping. In the case of call orders, the scope and time of the individual calls are determined by HSPE or by the plant to be supplied. In the event of non-compliance with the agreed delivery dates, the SUPPLIER shall not be required to give notice of default in order to assert claims for the resulting damage to HSPE. In this case, HSPE is also entitled to withdraw from the contract and to demand compensation for non-performance. In the event of culpable non-compliance with the delivery time, HSPE is entitled to demand a lump-sum default damage amounting to 0.5% of the order value for each completed calendar day, but a maximum of 10% in total. HSPE does not have to declare a corresponding reservation upon acceptance. Further legal and contractual claims are reserved. The SUPPLIER has the right to prove that the delay caused no or significantly less damage.
- 2) If, after conclusion of the contract, it is likely or actually impossible for the SUPPLIER to comply with the agreed delivery time due to operational disruptions, a lack of raw materials, semi-finished products or as a result of force majeure, he must notify HSPE of this in writing immediately and in any case in good time for HSPE to agree to the otherwise meet the agreed delivery date. If this notification is not made or is made too late, the SUPPLIER shall be liable for any delays and their consequences. This Clause 3.2 does not affect the rights of the parties granted in other provisions of these Terms and Conditions of Purchase. Furthermore, HSPE has the right to obtain the goods from other sources for the duration of the delay through no fault of its own and to reduce the delivery quantities specified in the order and/or delivery call-offs without any obligation to the SUPPLIER.
- 3) The SUPPLIER is obliged to compensate the customer for the damage caused by the delay. This does not apply to lost profits and damage from business interruption.
- 4) In the event of slight negligence, the compensation for damages is limited to additional freight costs, retrofitting costs and, after an unsuccessful grace period or if there is no interest in the delivery, to the additional expenses for cover purchases.

### 5. Packaging, Shipping, Proof of Origin

- 1) Unless otherwise agreed, the goods to be delivered are to be packaged in a manner customary in the trade and appropriately or, at the request of HSPE, be provided with special packaging. The SUPPLIER shall reimburse HSPE for all costs incurred as a result of defective packaging.
- 2) The SUPPLIER is obliged to provide HSPE with the required declarations on the customs origin of the goods in good time before delivery. The SUPPLIER shall bear the resulting additional costs incurred by HSPE as a result of an improper or late submission of the supplier declaration. If necessary, he has to prove his information on the origin of the goods by means of an information sheet confirmed by his customs office.
- 3) The statutory rules apply to the transfer of risk, unless the parties have agreed otherwise in writing.
- 4) If individual packaging is required for the parts to be delivered as part protection to protect against damage (e. g. for surface parts, etc.), the SUPPLIER must provide or use the part protection at no additional cost to HSPE.

### 6. Quality

- 1) The SUPPLIER is obliged to provide the contractually agreed services in such a way that they have the properties described in the contract/call-off together with the appendices and are not afflicted with defects that eliminate or reduce the value or suitability for the usual or contractually stipulated use. The contractually agreed services are to be provided on the basis of the current state of science and technology and in compliance with the care customary in the industry, but at least with the care of a prudent businessman. Relevant statutory and official regulations must be observed. The status at the time the respective services are performed is decisive. The results of the contractually agreed services must comply with all legal regulations worldwide.

The SUPPLIER must constantly monitor the quality of his deliveries and services. He is obliged to comply with the 0-defect strategy and to comply with a quality system in accordance with IATF 16949, ISO 9001, and the VDA standards or comparable standards. In addition, the SUPPLIER ensures compliance with REACH and the AltautoVO.

- 2) With regard to the procedures to be observed by the SUPPLIER for quality assurance of his deliveries, the currently valid Quality Assurance Agreement (QSV) for deliveries to HSPE applies. The SUPPLIER must also record in its quality records for all products when, how and by whom the defect-free manufacture of the delivery was ensured. This evidence must be kept for 15 years and presented to HSPE if required. The SUPPLIER has obliged sub-suppliers to the same extent. Reference is made to the VDA publication "Guidelines for the documentation and archiving of quality requirements and quality records" for guidance.
- 3) In the case of first-time orders and changes in the execution of orders, the SUPPLIER must submit the required number of sample parts including the previously agreed required documentation to HSPE for approval before the start of series production (according to the PPF process). In the case of surface parts, corresponding reference parts must be submitted separately for approval. Only after HSPE has released the samples in writing is the order deemed to have been finally placed. Samples that are defective or otherwise deviate from HSPE or other applicable regulations will be rejected by HSPE. Irrespective of this, the SUPPLIER must constantly check the quality of the delivery items. The contractual partners will inform each other about the possibilities of quality improvement.
- 4) Insofar as authorities responsible for motor vehicle safety, exhaust gas regulations, etc. are responsible, request insight into the production process and the test documents of HSPE to verify certain requirements, the SUPPLIER declares, upon request of HSPE, that he is willing to grant them the same rights in his company and to give all reasonable support.

## 7. Billing and Payment - Customs Duties

- 1) Invoices are to be sent on the day the goods are dispatched. Invoices that do not state the complete order number can be rejected by HSPE as invalid. The receipt of a correspondingly corrected invoice is then decisive for the start of the agreed payment periods.
- 2) In the case of faulty deliveries, HSPE is entitled to withhold the payment pro rata until proper subsequent performance or, if necessary, to demand it back.
- 3) Payment is made after the goods have been received in accordance with the contract and the proper and verifiable invoice has been received, unless otherwise agreed on the 30th day of the month following delivery with a 2% discount or on the 30th day of the month after next following delivery net. If early deliveries are accepted, the payment due date is based on the agreed delivery date.
- 4) Payments are made by bank transfer or alternatively by cheque.
- 5) The invoices must comply with national legislation, in particular with regard to the tax requirements of the respective country. At the request of the HSPE, all invoices must be sent electronically.

Invoices that do not contain or comply with the aforementioned requirements can be rejected by HSPE. In this case, the term of payment begins on the day of receipt of a new, verifiable and properly issued invoice that meets the aforementioned requirements.

- 6) The assignment of the purchase price claim directed against HSPE and its transfer to third parties for collection requires the prior written consent of HSPE, which HSPE will not unreasonably withhold. This does not apply to the assignment within the framework of an extended retention of title, which HSPE now generally agrees to.
- 7) The seller is obliged to enclose a commercial invoice in English and in duplicate with the accompanying documents for customs purposes. Any deviation from this is only permitted with the prior written consent of HSPE.

In the case of deliveries subject to customs duty, the SUPPLIER is responsible for complying with all national legal regulations for imports and exports, e.g. B. the requirement for invoices, customs clearance, etc.

## 8. Notification of Defects

- 1) Defects in the delivery that HSPE detects in the normal course of business at the start of processing or use of the goods, HSPE will immediately notify the SUPPLIER in writing and assert his claims for defects in accordance with Section 437 BGB. In this respect, the SUPPLIER waives the objection of delayed notification of defects. In cases that cannot be postponed, HSPE can also rectify the defects itself or have them rectified by third parties at the SUPPLIER's expense, whereby this must be agreed with the SUPPLIER before the work begins.

- 2) Payments of the purchase price made prior to the detection of the defects or the acceptance of the goods by an HSPE representative at the SUPPLIER's premises do not constitute acknowledgment that the goods are free of defects and do not release the SUPPLIER from its warranty.

## 9. Liability for Defects

- 1) The SUPPLIER guarantees that the goods are free from defects in accordance with the applicable law and in particular that the goods are suitable for the use required under the contract. The SUPPLIER also guarantees that the goods comply with all the laws and regulations applicable to them in the relevant sales markets. If defective goods are delivered, the SUPPLIER must be given the opportunity to sort out or rectify the goods before production begins, unless this is unreasonable for HSPE. If the SUPPLIER cannot do this or does not do so immediately, HSPE can withdraw from the contract without setting a further deadline and return the goods at the SUPPLIER's risk. In urgent cases, after informing the SUPPLIER beforehand, HSPE can carry out the repair itself or have it carried out by a third party. The SUPPLIER bears the costs incurred as a result. If the same goods are repeatedly delivered defective, HSPE is also entitled to withdraw from the scope of delivery that has not been fulfilled after a written warning if the delivery is defective again.
- 2) If the defect is only discovered after the start of production, despite observing Section 8 (notification of defects), the customer can
  - demand supplementary performance and reimbursement of the transport costs required for the purpose of supplementary performance (excluding towing costs) as well as removal and installation costs (labor costs, material costs) in accordance with Section 439 Paragraphs 1, 3 and 4 of the German Civil Code, or
  - reduce the purchase price.
- 3) In the event of a culpable breach of duty going beyond the delivery of defective goods (e.g. in the case of an obligation to provide information, advice or examination), HSPE can demand compensation from the SUPPLIER for the resulting consequential damage as well as for the consequential damage reimbursed by HSPE to its customer according to the law in accordance with Section 9 demand. Consequential damage is the damage that HSPE as the customer has suffered through the delivery of defective goods to legal assets other than the goods themselves. HSPE has further claims for expenses and damages due to the delivery of defective goods from §437 BGB or directly from the regulations mentioned there if the legal requirements are met.
- 4) The SUPPLIER shall be provided with the parts to be replaced by HSPE immediately upon request and at its expense.
- 5) Claims for liability for defects expire after 48 months for scopes of delivery that are used in the ECE area. 72 months apply to deliveries to the USA, Canada and Puerto Rico (NAFTA) as well as to the rest of the world (RDW). Both terms apply from delivery to HSPE or the corresponding warranty agreement. Withdrawal claims by HSPE against the SUPPLIER due to material defect claims pursuant to Sections 478, 479 BGB remain unaffected. They can also be asserted by HSPE if the end customer is not a consumer but an entrepreneur.
- 6) Claims for defects do not arise if the defect is due to violation of operating, maintenance and installation instructions, improper or unsuitable use, incorrect or negligent treatment, natural wear and tear or interventions in the delivery item carried out by HSPE or third parties.
- 7) In the event of defective deliveries, HSPE's claims arising from the Product Liability Act, tort and business management without a mandate remain unaffected by Section 7. Quality and durability guarantees must be specifically identified as such in writing.
- 8) If there is a valid warranty agreement between the parties applicable to the respective order from HSPE, this warranty agreement shall apply in place of clauses 9.2) – 9.7) above these purchasing conditions.

In the event of contradictions between the price and delivery contract or call order, the warranty agreement and these purchasing conditions, the aforementioned documents are to be applied in the aforementioned order.

## 10. Liability

- 1) Unless otherwise regulated elsewhere in these terms and conditions, the SUPPLIER shall be liable for any damage, loss and expenses incurred by HSPE that are caused by a breach of supplier obligations from the price and delivery contract or call order and/or an associated framework delivery contract became. If the liability of the SUPPLIER requires fault according to the relevant legal regulations, the relevant regulations remain unaffected. However, the SUPPLIER is not liable for damages, losses, expenses and costs insofar as these were caused by negligence or intent on the part of HSPE or an affiliated company.

2) The SUPPLIER shall indemnify HSPE and its affiliated companies against all liabilities, costs, damages, losses and expenses, including legal costs and court costs, and hold HSPE harmless from any damage that causes personal injury and/or property damage as a result of a legal claim due to a death or is due to the by

- a defective product,
- a breach of duty of the price and delivery contract or call order and/or an associated framework delivery contract by the SUPPLIER,
- intent or negligence of the SUPPLIER or
- Failure to comply with any applicable law, statute, regulation, safety rule, regulation or notice has arisen.

3) If, due to the delivery of defective goods by the SUPPLIER, due to legal provisions or in coordination with the authorities, there is a recall of products in which the relevant goods from the SUPPLIER were installed and/or serial damage, i.e. an accumulation of defects with the same cause of the defect, e.g. B. also consistently existing quality defects, the SUPPLIER must indemnify HSPE and the affiliated companies from all obligations, costs, damages, losses and expenses, including legal prosecution and court costs, which arise from the aforementioned recall campaign and/or serial damage or are attributable to them. HSPE will adequately consider the interests of the SUPPLIER if the aforementioned circumstances arise.

4) If a claim is made against HSPE due to no-fault liability against third parties, the SUPPLIER shall be liable to HSPE to the extent that it would also be directly liable. In this regard, the SUPPLIER shall indemnify HSPE internally. For the compensation of damages between HSPE and SUPPLIERS, the principles of §254 BGB apply accordingly. This also applies in the event of a direct claim against the SUPPLIER.

5) Claims by HSPE are excluded to the extent that the damage is attributable to violations of operating, maintenance and installation instructions, unsuitable or improper use, faulty or negligent treatment, natural wear and tear or faulty repairs for which HSPE is responsible.

6) Insofar as HSPE intends to make claims against the SUPPLIER under the above regulations, HSPE will immediately and comprehensively inform and consult the SUPPLIER. He is to be given the opportunity to examine the case of damage. The contractual partners will agree on the measures to be taken, particularly in the case of settlement negotiations.

7) The SUPPLIER must also impose the contractual or legal liability incumbent on its vicarious agents, subcontractors, etc.

## 11. Intellectual Property Rights

1) In principle, HSPE is entitled to all results arising from the order (including test and development reports, suggestions, ideas, drafts, designs, suggestions, samples, models, drawings, CAD data sets and other documents). HSPE shall receive free, exclusive, irrevocable, transferable and sublicensable rights of use to all contractually agreed services including the developed software, unlimited in terms of time, place and object. Insofar as the SUPPLIER engages subcontractors, he will ensure through appropriate contractual agreements that the subcontractors also make the specified results and rights of use available to HSPE. Any use of the contractually agreed services by the SUPPLIER or third parties requires the prior written consent of HSPE.

2) The SUPPLIER shall be liable for all claims arising from the infringement of property right applications (property rights) when the delivery items are used in accordance with the contract.

3) The SUPPLIER indemnifies HSPE and its customers from all claims arising from the use of such property rights.

4) This does not apply if the SUPPLIER has manufactured the delivery items according to drawings, models or other equivalent descriptions or information provided by HSPE and does not know or does not need to know in connection with the products developed by HSPE that property rights are being violated as a result.

5) At the request of HSPE, the SUPPLIER will report the use of published and unpublished own and licensed property rights and property right applications for the delivery items.

6) Irrespective of the above clauses 11.1) and 2), the contracting parties undertake to inform each other immediately of any risks of injury and alleged cases of infringement that become known and to give themselves the opportunity to mutually counteract corresponding claims.

## 12. Goods identification

1) The SUPPLIER will mark the delivery items in the manner prescribed by HSPE or, if applicable, agreed. As a rule, the VDA goods label is the standard label.

2) The SUPPLIER may only deliver delivery items that have a trademark protected for HSPE or a corresponding equipment or that are packed in original packaging from HSPE to HSPE or a third party designated by HSPE. If goods marked accordingly are rejected as defective, the SUPPLIER must render them unusable at his own expense.

3) In the event of a breach of one of the above obligations, HSPE is entitled to withdraw from the contract or to demand the return of what was gained from the breach or compensation for the damage incurred by the customer.

## 13. Tooling and Confidential Information

1) Models, matrices, templates, samples, tools and other means of production, as well as confidential information, which HSPE has made available to the SUPPLIER or has been paid for in full by HSPE may only be used for deliveries to third parties with the prior written consent of HSPE.

2) For the rest, the corresponding special conditions of HSPE apply to the manufacture, storage, use, maintenance and payment of the production equipment.

3) HSPE acquires ownership of a Tooling in accordance with the terms of the relevant Purchase Order. The SUPPLIER must mark the production equipment in question as property of HSPE according to their specifications. Insofar as industrial property rights or copyrights arise in relation to this means of production during the development of the means of production, the buyer shall receive a temporally and locally unlimited, free of charge, fully compensated, non-exclusive right to use them for his own needs.

4) The SUPPLIER must – regardless of the ownership structure – keep the means of production used for the production of the goods in a functional condition for the continued delivery of the goods for a period of 15 years after the end of the delivery of the goods by the SUPPLIER for the series production of the HSPE. The obligation to stand by expires after this 15-year period has expired and the HSPE has been notified in writing. The SUPPLIER must ensure that all of its subcontractors comply with Clause 13.4. are contractually bound by this agreement.

## 14. Confidentiality and Publicity

1) The contractual partners undertake to treat all non-public commercial and technical details of which they become aware through the business relationship as business secrets and not to pass them on to third parties. However, HSPE is entitled to pass on information to its affiliated companies.

2) Drawings, models, templates, samples and similar items may not be given to unauthorized third parties or otherwise made accessible. The duplication of such items is only permitted within the framework of operational requirements and copyright regulations.

3) Subcontractors and all employees of the parties are to be obliged accordingly.

4) The SUPPLIER may only advertise the business relationship with the prior written consent of HSPE.

5) The confidentiality obligations contained in this section continue to apply even after the expiry or termination of a supply contract.

## 15. Insurance

1) The SUPPLIER must take out business and product liability insurance at its own expense and, in principle, motor vehicle recall insurance, which is mandatory for safety-relevant components, with a recognized insurance company to an appropriate extent that is customary in the industry, thereby reducing the liability of the SUPPLIER to HSPE and third parties to the required extent scope is covered. Once a year, the SUPPLIER will send HSPE unsolicited proof of payment, validity/existence and the scope of coverage of this insurance to HSPE by January 31 of the current year at the latest.

2) The existence of an insurance contract does not lead to a limitation of the SUPPLIER's obligations arising from these Conditions of Purchase.

3) Insofar as claims are made against HSPE due to product liability, including a recall, the SUPPLIER is obliged to indemnify HSPE from such third-party claims if and to the extent that the damage was caused by a defect in the delivery item supplied by the SUPPLIER. In the case of liability based on fault, this only applies if the SUPPLIER is at fault.

4) Within the above framework, the SUPPLIER is also obliged to reimburse HSPE for all costs and expenses, including the costs of any legal action or recall campaign. HSPE will inform the SUPPLIER - as far as possible and reasonable - about the content and scope of the recall measures to be carried out and give him the opportunity to comment. The SUPPLIER undertakes to maintain verifiable product liability and recall cost

insurance with an appropriate sum insured per personal injury/property damage for the delivery item to be delivered.

#### 16. Retention of Title

- 1) Drawings, drafts, samples, specifications, company-internal data, tools, facilities, etc., which HSPE has provided to the SUPPLIER for submitting an offer or for carrying out an order, remain the property of HSPE. They are to be kept with the diligence of a prudent businessman and may only be used for orders from HSPE. The items that are manufactured with material provided by HSPE or manufactured according to confidential information or with tools or replica tools may not be used by the SUPPLIER himself or offered to third parties or delivered.
- 2) The SUPPLIER shall release the securities it holds to the extent that their value exceeds the claim to be secured by a total of 20%.

#### 17. Environment

- 1) The aim of the supplier should be to introduce and operate a certified environmental management system in accordance with "ISO 14001" or another recognized or certified environmental management system derived from the aforementioned system and to demonstrate HSPE no later than 2 years after acceptance of the order .
- 2) The SUPPLIER must ensure through suitable contractual arrangements with its sub-suppliers or subcontractors that the regulations contained in Section 17 are observed.
- 3) The SUPPLIER also undertakes to recognize the environmental specifications of the main client of the HSPE, which are regulated on a project-related basis in an individual contract.

#### 18. Compliance

- 1) HSPE The SUPPLIER undertakes to comply in particular with the respective legal regulations on dealing with employees, environmental protection, data protection and occupational safety. HSPE has committed itself to complying with its own code of conduct and in this respect expects its SUPPLIER to comply with and ensure these or comparable standards, also towards their sub-SUPPLIER. The HSPE "Code of Conduct Suppliers + Service Providers" is available at:

<https://www.hsp-engineering.de>

- 2) In the event that a SUPPLIER behaves in violation of the law repeatedly and/or despite being advised to do so and does not demonstrate that the violation of the law has been remedied as far as possible and reasonable precautions have been taken to prevent future violations of the law, HSPE reserves the right to withdraw from existing contracts or to terminate them without notice.

#### 19. Force Majeure

In cases of force majeure, the contracting party affected is released from the obligation to deliver or accept delivery for the duration and to the extent of the impact. Force majeure is any event beyond the sphere of influence of the respective contractual party that prevents it from fulfilling its obligations in whole or in part, including fire damage, floods, strikes and lawful lockouts, unexpected pandemics or epidemics as well as operational disruptions or official disruptions that are not its fault dispositions. Supply difficulties and other disruptions to performance on the part of the SUPPLIER's sub-suppliers shall only be deemed to be force majeure if the sub-supplier is prevented from providing the service incumbent on him due to an event pursuant to S.1.

The contracting party concerned shall immediately notify the other contracting party of the occurrence and cessation of force majeure and shall endeavor to the best of its ability to remedy the force majeure and limit its effects as far as possible.

In the event of force majeure, the contracting parties will agree on how to proceed and determine whether the products not delivered during this period should be subsequently delivered after its termination. Irrespective of this, each contracting party is entitled to withdraw from the orders affected by this if the force majeure lasts more than 8 weeks after the agreed delivery date. The right of each contracting party to terminate the contract for good cause in the event of prolonged force majeure remains unaffected.

#### 20. General Provisions

- 1) If the SUPPLIER is a merchant within the meaning of the German Commercial Code (HGB), a legal entity under public law or a special fund under public law, the agreed place of jurisdiction and place of performance for all disputes arising directly or indirectly from the contractual relationship is the headquarters of HSPE. In all cases, we reserve the right, at our discretion, to take legal action at the customer's registered office.

- 2) Should any dispute or difference ("Dispute") arise in connection with this Agreement, the parties shall use their best efforts to resolve it amicably. To this end, each Party shall send a formal written notice of dispute ("Notice of Dispute") to the other Party. Thereafter, the parties shall speak and negotiate in good faith and understanding of each other's interests in order to try to reach a just and reasonable solution for both parties. If no agreement can be reached on the notification of disputes within 30 days, all disputes arising in connection with this contract or its validity shall be settled by an arbitral tribunal in accordance with the Arbitration Rules of the Chamber of Industry and Commerce for Upper Bavaria finally decided in Munich. The number of arbitrators is three unless the parties agree on one arbitrator.

In the event that the aforementioned arbitration clause should be ineffective, the following regulation applies: If the SUPPLIER is a registered trader, a legal entity under public law or a special fund under public law, the place of jurisdiction is Munich. The same applies if the SUPPLIER does not have a general place of jurisdiction in Germany, relocates his domicile or habitual residence abroad after the conclusion of the contract, or his domicile or habitual residence is not known at the time the lawsuit is filed. If the SUPPLIER is not a merchant, the statutory place of jurisdiction applies. HSPE is further entitled to sue the SUPPLIER at the court of his registered office or at the court of the place of performance and can choose the local law.

- 3) These conditions and the orders on which they are based are exclusively subject to German law, unless HSPE chooses the local law of the SUPPLIER. The application of the United Nations Convention on International Contracts for the Sale of Goods dated April 11, 1980 (CISG) and the applicable conflict of law rules are excluded.
- 4) Should a provision be or become invalid, this shall not affect the validity of the other provisions. The contractual partners are obliged to replace the invalid provision with a provision that comes as close as possible to the economic success.
- 5) Subsidiary agreements have not been made. Changes or additions are only possible in writing. This also applies to changes to this written form clause.
- 6) For purposes of performing this Agreement or any modification or supplement thereto, facsimile signatures, PDF image signatures, or electronic signatures provided through an electronic signature service (e.g., DocuSign, AdobeSign) will be treated as original signatures when consistent with applicable law. Such a document is deemed to be in writing.

Status: January 2023