

**Section 1: General matters – Scope**

- (1) Our Purchasing Terms and Conditions apply exclusively. We do not acknowledge terms and conditions of the supplier that conflict with or deviate from our Purchasing Terms and Conditions, other than where we have expressly approved their validity in writing. Our Purchasing Terms and Conditions also apply where we make delivery to the supplier without reservation despite awareness of terms and conditions of the supplier that conflict with or deviate from our Purchasing Terms and Conditions. Deviating terms and conditions of our contracting partner are hereby expressly objected to. This objection also applies where the contracting partner declares that its business terms and conditions, particularly its terms and conditions of sale and delivery, have priority. The objection furthermore applies where the contracting partner has specified a special form for it.
- (2) All agreements between us and the supplier that are made for the purpose of performing this contract are set down in writing in this contract.
- (3) Our Purchasing Terms and Conditions apply only with respect to entrepreneurs within the meaning of section 310 (1) of the German Civil Code (BGB), as well as with respect to legal entities under public law.
- (4) These Purchasing Terms and Conditions apply to all business transactions between us and the supplier, even where they are not expressly mentioned in subsequent contracts.
- (5) These Purchasing Terms and Conditions apply to all contracts between us and the supplier with respect to the purchasing of materials, objects, products, items, and software, to all associated services (goods) and to all contracts with respect to the provision of work services by the supplier.
- (6) Correspondence is to be exchanged with our ordering purchasing department. Understandings with other departments require express formal confirmation by our ordering purchasing department in order to be binding.

**Section 2: Offer – Offer documents– Order**

- (1) An order is first deemed issued when it was written up by us or, in the case of verbal or telephonic order, confirmed by us in writing, unless agreed upon otherwise in a given case. Our orders must be promptly confirmed by the contractor in writing. If this order confirmation is not received by us within 10 days of sending the order, our order is deemed accepted without change. To this extent, section 362 of the German Commercial Code (HGB) is expressly deemed agreed upon between the parties. In addition, the supplier must adhere precisely to the request in its offer and, in the case of deviations, expressly draw attention to them in writing. Deviations in quantity and quality as compared with the text and content of our order and subsequent contract amendments are first deemed agreed upon when we have expressly confirmed them in writing. The supplier may provide additional deliveries and/or services that go beyond the scope agreed upon in the contract only after conclusion of a corresponding prior contract rider (order by us and corresponding acceptance by the supplier or supplemental offer by the supplier and acceptance by us).
- (2) We retain title and copyrights in and to all images, drawings, calculations, plans, models and other documents. They may not be made accessible to third parties without our express written consent. They are to be used exclusively for manufacturing on the basis of our order. After the order is completed, they must be returned to us without prompting. They are to be kept confidential vis-a-vis third parties. To this extent, the arrangement in Section 9 (6) applies in addition. Copies or duplicates may not be made without our written consent.
- (3) The assertion of a right of retention by the supplier with respect to our claim to return of the documents described in subsection 2 is excluded, other than where the supplier's counterclaim is uncontested, has been acknowledged by us or has been

reduced to an enforceable judgment.

**Section 3: Prices – Payment terms**

- (1) The price specified in the order is binding. It is a lump-sum fixed price, including in the case of successive supply contacts and contracts to produce a work, and it covers all expenses necessary for service provision. Absent a written agreement to the contrary, the price includes delivery ex-works, including packaging, customs, insurance and freight. Return of the packaging requires a special agreement.
- (2) Where owed, value-added tax is included in the price, unless specified otherwise in the order.
- (3) We are able to process invoices only if they list the order number in accordance with the requirements in our order. The supplier is solely responsible for all consequences that arise from the failure to comply with this obligation, unless it can demonstrate that it was not responsible for this.
- (4) Unless agreed otherwise in writing, we pay the purchase price within 28 days, calculated from delivery and invoice receipt or, in the case of contracts to produce a work, from provision of the work service and invoice receipt, with a 3% discount for prompt payment, or within 60 days of invoice receipt, net.
- (5) Delays that result from incorrect or incomplete invoices do not affect the deadline for the prompt-payment discount. Payments on account are permissible and due only against provision of an open-ended, directly enforceable contract fulfillment guaranty. The amount of the directly enforceable contract fulfillment guaranty amounts to 10% of the total net order value, unless agreed otherwise.
- (6) We are entitled to rights of set-off and retention to the statutory extent.
- (7) Unless agreed otherwise, advance payments (prior to delivery) are made against presentation of an open-ended bank guaranty at no cost to ELWEMA.

**Section 4: Delivery period**

- (1) The delivery period specified in the order is binding. Agreed delivery periods begin to run on the date of the order. Controlling for compliance with delivery deadlines or dates is receipt of the delivery by us at the receiving office specified by us.
- (2) The supplier is obligated to notify us without delay if circumstances arise or become apparent to it that indicate that the agreed delivery period cannot be adhered to, with specification of the reasons for and expected duration of the delay.
- (3) If the supplier culpably exceeds the deadline or date for the delivery or for the manufacture of the work to the point of inspection and acceptance, it is obligated to pay us a contractual penalty of 0.3% of the agreed net price or net compensation for the work, but not more than a total of 5% of the net price/net compensation for the work, for each calendar day of the deadline or date overrun or default. We reserve contractual penalty claims and their offsetting against the contractor's claims until final payment. Claims for compensation of damages going beyond the contractual penalty claim remain unaffected. However, the contractual penalty will be applied toward such claims for compensation of damages.  
  
Where delivery dates or deadlines are postponed due to any legitimate claims of the supplier to an extension, or where these are reset by mutual agreement, the aforementioned arrangement on contractual penalties is tied to the new dates without the need for a new special agreement with respect to the arrangement on contractual penalties.
- (4) Where there is no agreement on a delivery period, the supplier is in default when it fails to comply with the delivery period reasonable and customary in light of the circumstances.
- (5) The supplier is entitled to make partial deliveries or render

partial services only after we have given our prior written consent. We are entitled to refuse the acceptance of prematurely delivered goods or, in the case of acceptance, to charge a reasonable storage fee, unless expressly agreed otherwise. The supplier may make delivery only on business days, namely solely from Monday to Friday between 8 a.m. and 4 p.m.

- (6) Title to the goods or work services vests in us unconditionally upon delivery.
- (7) On the agreed date, but not later than upon delivery of the goods or work services, the supplier must provide all technical documentation, including operating and maintenance instructions, training materials, drawings, technical data sheets, product safety sheets, work testing certificates, conformity certificates and all other documents necessary or customary in business, as well as, in the case of software, the associated source and object codes.
- (8) The supplier must ensure that the delivery of spare parts is guaranteed for at least 10 years after delivery, pursuant to the agreed delivery deadlines. We are to be notified if the manufacture of spare parts will be discontinued during this period so that it is possible to obtain the required spare parts for the future. In addition, in the event of a discontinuation of spare parts manufacture, the supplier must also provide the corresponding manufacturing drawings and parts lists with manufacturer data, without separate compensation having to be paid for this.
- (9) Force majeure and other disruptions – this also includes business disruptions, strikes, lock-outs, staff shortages, transport shortages, official directives, and epidemics/pandemics – that occur at ELWEMA or at our customers or their customers and that resulting a limitation or discontinuation of production at ELWEMA release ELWEMA for the duration and to the extent of their effects from the obligation to accept the goods.

In the aforementioned cases, we do not owe the supplier compensation of damages or reimbursement of expenses. This does not apply where we are at fault or we have to accept attribution to us of the fault of a third party.

#### **Section 5: Transfer of risk – Documents – Packaging**

- (1) Unless agreed otherwise in writing, delivery is made ex works. The supplier is responsible for the proper packaging of the delivery. Transport takes place at the supplier's risk. This also applies where, by way of exception, we have undertaken to pay the transport costs. In such case, the supplier must choose the method of transport that is specified by us, otherwise the method of transport and delivery that is the least expensive for us. The supplier is obligated to obtain transport insurance, irrespective of whether it bears the transport risk. The supplier must demonstrate to us on its own initiative that it has obtained transport insurance prior to carrying out the transport. Where necessary for the purpose of satisfying our claims, the supplier must assign to us the claim against the transport insurer. The costs for transport insurance are for the account of the supplier.
- (2) The supplier is obligated to indicate our order number precisely on all shipping documents and delivery certificates. The supplier prepares the transport documentation at no cost pursuant to our requirements with respect to the language, form and layout to be used (notification of readiness for shipment, dispatch notice, packing list, preference documents, origin certificates). If it fails to do this, we are not responsible for any delays in processing that result from this.
- (3) In the case of purchase contracts, risk first passes to us upon receipt of the goods or, in the case of contracts to produce a work, first upon declaration of acceptance.
- (4) Unless agreed otherwise, the documentation in the case of the delivery of machinery, partly completed machinery or parts of machinery also includes the following documents:

In the case of the delivery of machinery within the meaning of EU Directive 2006/42/EC on machinery: instructions, EC declaration of conformity, and risk assessment in accordance with DIN EN ISO 12100;

In the case of the delivery of partly completed machinery or parts of machinery within the meaning of EU Directive 2006/42/EC on machinery: declaration of incorporation, assembly instructions, instructions, and risk assessment in accordance with DIN EN ISO 12100.

- (5) The packaging is included in the price. If by way of exception something different has been agreed upon, the packaging is to be charged at the supplier's cost. The supplier must choose the packaging specified by us and ensure that the packaging protects the goods against damage. If the supplier has no guidelines for the type of packaging, the supplier must choose a packaging and ensure that the packaging protects the goods against damage.

#### **Section 6: Inspection for defects – Liability for defects**

- (1) The supplier must ensure that the objects and services to be delivered are in conformity with the samples approved by us, all relevant standards (DIN standards and EC standards), all safety requirements and the specifications indicated in the order. The supplier must ensure that the delivered objects and services are in conformity with the intended use, the state of the art, the generally recognized technical and occupational-medicine safety provisions of authorities and professional associations and all relevant laws. If machinery, equipment or systems are the object of the delivery, the supplier must ensure that they are in conformity with the requirements the special safety provisions for machinery, equipment and systems in effect at the time of contract fulfillment, including occupational-safety and accident-prevention rules, as well as that the delivery and service possesses a CE label. In addition, the supplier must ensure defect-free design, the use of appropriate and defect-free materials, the quality of execution, the defect-free functioning of the scope of delivery and/or service and the achievement of technical performance data or, as the case may be, the compliance with the agreed technical characteristics.

As a rule, a reference to standards in the order includes an agreement as to characteristics that complies with the requirements of the standard. Specimens, samples and other documents and details are likewise considered an agreement as to characteristics.

- (2) We are obligated to inspect the goods by a reasonable deadline for any deviations in quality and quantity. The objection is timely if it is received by the supplier by a deadline of two weeks, calculated from receipt of the goods or, in the case of latent defects, from discovery. The obligation to inspect and object pursuant to sections 377 and 378 HGB is excluded to the foregoing extent.
- (3) We are entitled to statutory defect claims without curtailment. In any case, we are entitled to demand from the supplier, at our discretion, elimination of the defect or delivery of a new item. The supplier must reimburse us for all costs incurred for the cure, particularly transport, travel, labor and materials costs. This also applies even if the expenses increase because a purchased item or delivered object was delivered to our customers as intended following delivery.  
Where a delivered item is installed in one of our products, the supplier must, as part of the elimination of the defect or new delivery, reimburse the costs for disassembling the defective object and reinstalling a defect-free object, including all transport, travel and labor costs.

The supplier must also compensate consequential damages from the defect and financial losses, particularly production stoppage. Compensable damages also include the ancillary costs incurred for any damage repair, such as disassembly and installation costs, materials cost, transport and freight costs,

costs for providing workers and, in particular, also costs in connection with ascertaining damage or defects, e.g. appraiser costs.

The return shipment of defective goods is at the expense and risk of the supplier. If, at the request of the supplier, we handle the packing of the goods to be sent back or take other measures for the return shipment, all liability is excluded for damages other than personal injuries, unless we acted willfully or with gross negligence.

- (4) We are entitled to eliminate the defects ourselves at the supplier's expense if the supplier does not eliminate the defects by a reasonable deadline set by us.
- (5) The prescription period amounts to 36 months, calculated from the transfer of risk, other than where the mandatory provisions of sections 478 and 479 BGB apply or the law specifies a longer prescription period. For repaired defects or redelivered goods, the warranty period begins to run anew. A written notice of defects by our company suspends prescription for eight weeks from receipt of the notice of defects, unless a more extensive suspension of prescription results from statutory provisions.
- (6) Where we provide plans, drawings, materials and/or accessories to the supplier, it is obligated to examine them for their completeness, accuracy and suitability for the intended purpose and promptly notify us of the incompleteness and inaccuracy of the provided documents. If the supplier does not raise any objections, it is also obligated without restriction to provide a warranty to this extent.

The supplier is responsible as its own contractual obligation for performing the necessary interim and final controls during production and submitting parts supplied to it to an effective incoming-goods control, insofar as it procures the delivered object or parts thereof from its own input suppliers.

- (7) In the case of express assumption of a procurement risk and/or of a guarantee in its order confirmation/offer, the supplier is strictly liable.

#### **Section 7: Product liability – Indemnification – Liability insurance coverage**

- (1) Where the supplier is responsible for a product injury, it is obligated to indemnify us on first demand against third-party claims for compensation of damages, to the extent that the cause lies in its area of control and organization and it itself is liable vis-a-vis third parties.
- (2) Within the scope of its liability for injury cases within the meaning of subsection 1, the supplier is also obligated to reimburse any expenses pursuant to sections 683 and 670 BGB or pursuant to sections 830, 840 and 426 BGB that result from or in connection with a notification and/or recall action conducted by us. Where possible, and to the extent it can reasonably be expected to do so, we will notify the supplier about the content and scope of recall measures to be conducted and give it an opportunity to state its position. The foregoing does not affect statutory claims.
- (3) The supplier undertakes to maintain product liability insurance with a sum insured of €10 million per personal injury/property damage/financial loss – for consequential financial losses, €5 million, lump sum. If we are entitled to more extensive claims for compensation of damages, these remain unaffected.

#### **Section 8: Industrial property rights**

- (1) The supplier warrants that no rights of third parties will be infringed in connection with its delivery. In particular, the supplier warrants that rights of third parties – particularly patents, utility models, competition rights as well as copyrights and trademarks or other industrial property rights – will not be infringed by the delivery or use of the object of delivery or of the owed work or its sale or its resale.

- (2) If we are sued by a third party for this reason, the supplier is obligated to indemnify us against such claims on first demand. We are not entitled to make any agreements with the third party without the supplier's consent, including entering into a settlement.
- (3) The supplier's obligation to indemnify relates to all expenses that we necessarily incur as a result of or in connection a lawsuit brought by a third party. This includes, in particular, expenses or costs that we incur for preventing or eliminating infringements of intellectual property rights, as well as legal defense costs, e.g. attorneys' fees. The foregoing does not affect the assertion of more extensive claims, particularly claims for compensation of damages.
- (4) The prescription period amounts to 10 years, calculated from contract conclusion, unless a longer prescription period results from the statutory arrangement.

#### **Section 9: Retention of title – Parts we provide – Tools – Confidentiality**

- (1) If we provide parts to the supplier, we retain title to them. The supplier must store these objects separately and use them only for our order. The supplier is liable for loss or damage. It must insure all of the parts we provide against damage from fire, water or theft.
- (2) Processing or reformation by the supplier is performed for us as manufacturer. If our goods subject to retention of title are processed with other objects that do not belong to us, then we acquire co-title to the new item in the ratio that the value of our item (purchase price, plus VAT) bears to the other processed objects at the time of processing.
- (3) If the item provided by us is inseparably intermixed with other objects that do not belong to us, then we acquire co-title to the new item in the ratio that the value of the item subject to retention of title (purchase price, plus VAT) bears to the other intermixed objects at the time of intermixture. If the intermixture occurs in such a way that the supplier's item is to be considered the principal item, then it is deemed agreed that the supplier assigns to us the pro-rata share of co-title.
- (4) We retain title to tools. The supplier is further obligated to use the tools solely for manufacturing the goods ordered by us. The supplier is obligated to insure the tools belonging to us at replacement value at its own expense against damage from fire, water or theft. At the same time, the supplier hereby assigns to us all compensation claims under that insurance. We hereby accept the assignment. The supplier is obligated to perform any required repair, maintenance, service and inspection work on our tools in a timely manner and at its own expense. It must give us immediate notice of any incidents. If it culpably fails to do so, claims for compensation of damage remain unaffected.
- (5) To the extent that the security rights to which we are entitled pursuant to subsections 1 to 4 exceed by more than 10% the purchase price of all our goods subject to retention of title that are not yet paid for, we are obligated to release the security rights of our choice at the demand of the supplier.
- (6) The supplier is obligated to maintain in strict confidence all received images, drawings, calculations and other documents and information. They may be disclosed to third parties only with our express consent. The confidentiality obligation also applies after performance of this contract. It lapses if and to the extent that the manufacturing knowledge contained in the provided images, drawings, calculations and other documents has become public knowledge.

#### **Section 10: Special provisions for contracts to produce a work, software services and design and engineering services**

- (1) Where the supplier owes a work service or work delivery, we may at any time until inspection and acceptance demand changes and additions to the order in our reasonably exercised



discretion and taking into consideration the interests of the supplier. The supplier is obligated to propose changes to us that it considers necessary or expedient with respect to successful contract fulfillment. Following our written approval, the supplier must also make these changes. Where a change results in higher or lower costs and/or a deadline overrun, the supplier is obligated to make us aware of this contemporaneously with its change proposal or promptly after receipt of a change request from us and to submit a corresponding follow-up offer. The change is made on the basis of a written agreement specifying compensation for added costs or the consideration of lesser costs, as well as the schedule.

- (2) The price specified in the order is a lump-sum fixed price covering all services necessary for service provision and the creation of the work.
- (3) In the case of design or engineering services, the supplier may bill for actual time expended at hourly fee rates only if this was expressly agreed upon. In such case, the supplier must obtain our decision prior to exceeding the time effort indicated in the order or the order confirmation.
- (4) Prior to contract conclusion, the supplier has familiarized itself comprehensively about the scope of its service and delivery. It has ascertained in full all efforts and measures necessary for rendering its contract services. These form the basis for the lump-sum fixed price.

Any approval of plans or other approvals by our company are considered endorsements only and do not release the supplier from its obligation to render its service professionally and in full.

- (5) Inspection and acceptance requires that the contractor has completed its entire service in full. It is obligated then to apply for formal inspection and acceptance, for which a record is to be prepared and signed by both parties. Inspection and acceptance of partial services or other partial inspection and acceptance procedures are excluded, unless a derogating written agreement is concluded. Even in the case of such a derogating agreement, partial inspection and acceptance procedures do not replace final inspection and acceptance. Any notional inspection and acceptance is excluded.
- (6) The supplier is entitled to engage subcontractors for all or part of the contractual service only with our prior written consent. We will refuse such consent only for an important reason. The engagement of subcontractors does not release the contractor from its contractual obligation to us. The supplier is responsible for the subcontractors engaged by it who are its agents.
- (7) For the purpose of securing all of the supplier's obligations arising under this contract, it must provide us not later than one week after conclusion of the contract with an open-ended, directly enforceable contract fulfillment guaranty by a bank, savings society or insurance company in the amount of 10% of the contractually agreed gross compensation. The guaranty secures the fulfillment of all obligations under this contract, particularly repayment claims, including interest, claims for defects (also for remote consequential damages from defects), claims for compensation of damages and claims to payment of a contractual penalty. We are entitled to withhold payments until handover of the contract fulfillment guaranty. The contract fulfillment guaranty will be returned upon completion of the service and its full, defect-free inspection and acceptance.
- (8) If entering our plant grounds or that of our customer is necessary for providing the work service, the supplier must observe all existing accident-prevention rules and the supplementary instructions of our company or those of the competent employees of our customer.

#### **Section 11: General rules**

- (1) The supplier may not assign receivables and claims under this contract without our written consent.
- (2) Where necessary for carrying out the deliveries and services, and where permissible by statute, the supplier assigns to us,

without an additional fee, any and all copyrights, industrial property rights and legal positions similar to industrial property rights in and to its services, and it grants us a comprehensive, unrestricted right of use and exploitation. In particular, we have the right to use, continue, alter and publish the services rendered by the supplier without its cooperation and to assign these rights in whole or in part to a third party. The same applies in the case of a premature ending of this contract.

If in connection with the order, improvements arise with respect to documents or know-how delivered by us, we are entitled to a gratuitous, non-exclusive right of use for commercial exploitation. With respect to the object supplied by it or to the work created by it, the supplier grants us an unrestricted, gratuitous right of use. This also applies after the ending of the order.

- (3) Set-off by the supplier or the assertion of a right of retention by the supplier is excluded, other than where the supplier's counterclaim has been reduced to an enforceable judgment or has been acknowledged by us.
- (4) We are entitled within the scope of the data protection act to store data relating to goods and payments transactions with the supplier to the permissible extent. The supplier must ensure that all persons who are entrusted with the fulfillment of its obligations comply with statutory provisions concerning data protection. A commitment by these persons to safeguard data secrecy as is required under data protection law is to be undertaken prior to the initial start of their work and is to be demonstrated to us upon demand.
- (5) Supplementations, modifications and termination of agreements made, including these Business Terms and Conditions, require written form in order to be effective. The same applies to this written-form requirement.
- (6) If individual provisions of these Terms and Conditions should be ineffective, or if these Terms and Conditions should have a gap or omission, this is not to affect the validity of the other provisions. In the place of the ineffective provisions, or for the purpose of filling the gap or omission, an appropriate arrangement is to apply whose economic success – to the extent legally possible – most closely approximates that which the contacting parties had intended or, in keeping with the spirit and purpose of these Terms and Conditions, would have wanted had they considered the point.
- (7) The supplier must demonstrate state-of-the-art quality assurance. Considered the minimum standard are DIN standards and, where available, European standards, particularly CEN and CENELEC.
- (8) If the supplier becomes illiquid or discontinues making its payments, or if an application is lodged for commencement of insolvency proceedings or court-supervised composition proceedings in respect of the assets of the supplier or one of its owners, then without prejudice to other rights, we may withdraw from the contract for the unfulfilled portion. If the supplier is responsible for the ground for termination, or if termination takes place pursuant to sentence 2, then compensation is paid only for the self-contained and demonstrated services that have been provided in conformity with the contract up to that point, provided that they are utilizable by us. Claims for compensation of damages on our part remain unaffected. If the supplier is not responsible for the ground for termination, then we will reimburse the expenses that were demonstrably incurred up to the time of contract termination and that result directly from the order, including costs that result from liabilities that cannot be resolved accordingly. The supplier is not entitled to more extensive claims for performance or compensation of damages as a result of termination. The intellectual property rights and/or rights of use in and to the work product created up to the time of termination vest in us pursuant to Section 11 (2).

If the supplier owes a work service, we may terminate the entire contract or parts thereof at any time.

**Section 12: Foreign trade law and supplier information**

- (1) The supplier must provide the following information in offers and order confirmations: Information about whether the object of delivery requires export approval and the relevant list position number under German export law; information about a possible inclusion of its product under the US-CCL and the corresponding list number; information about whether the ordered goods require export approval under the EC Dual-Use Regulation, as amended, and the corresponding list position number; statistical goods number; country of origin of the goods. In the event that any required export approval is not granted to us, we expressly reserve the ability to terminate the contract.
- (2) The supplier must comply with existing materials prohibitions that result from legal norms.
- (3) The supplier is obligated to declare to us the materials contained in its products (with designation of the associated house numbers and weight proportions in homogeneous material), provided that these materials are listed in one of the following legal norms: Chemical Prohibition Regulation (transformation of Directive 76/769/EEC and associated amendments), End-of-Life Vehicles Regulation (transformation of Directive 2000/53/EC), Electrical and Electronic Equipment Act (transformation of Directives 2002/95/EC and 2002/96/EC), CFC and Halon Regulation (transformation of Regulation (EC) No 2037/2000), Ceramic Fiber Regulation (version Feb. 2005: in preparation).
- (4) The supplier must confirm to us the origin of the goods in observance of statutory requirements, including through supplier or origin declaration or EUR1. The supplier declaration must specify the originating status of the goods in accordance with the applicable origin rules of the country of destination that we communicate to it.

**Section 13: Technical documentation**

- (1) The delivery of complete technical documentation and all requested records must be a part of the main delivery, unless agreed otherwise.
- (2) The delivery of technical documentation takes place in digital form, unless agreed otherwise.
- (3) The technical documentation must be prepared in accordance with the EC machinery directives and conform to all recognized rules of technology. It must contain complete instructions in accordance with DIN ISO 62079.

**Section 14: Software**

- (1) Where software is a part of the delivery, it is to be provided to us in machine-readable code on data storage devices customary in the trade, together with user documentation.
- (2) Software developed specifically for us is to be provided to us in addition in source code with manufacturer documentation. Copies of source code and manufacturer documentation are to be handed over to us at the time of inspection and acceptance and must conform to the program version when the testing phase ends.
- (3) Within the scope of liability for defects, measures performed to the software must be promptly incorporated by the supplier in the source code and the manufacturer documentation. A copy of the updated version is to be provided to us without delay in each case.

**Section 15: Right of use**

- (1) We irrevocably acquire a right to use software developed for us or parts thereof and all other service results that is exclusive, unrestricted in terms of time and territory, and covers every known type of use, including the right of adaptation, reproduction, alteration and enhancement, as well as the right

to grant non-exclusive rights of use to third parties.

**Section 16: Miscellaneous**

- (1) If individual provisions of these Business Terms and Conditions or the contract concluded between us and the supplier should be or become ineffective either in whole or in part, the other terms and conditions remains unaffected by this.
- (2) We are released from the obligation to withhold tax under section 48b (1) of the German Income Tax Act (EStG) only if the supplier presents us with a valid exemption certificate issued to it in its name by the tax office competent for it. The presentation of a copy of the exemption certificate is sufficient provided that it was not issued with respect to the order.

**Section 17: Place of jurisdiction – Place of performance – Choice of law**

- (1) If the supplier is a merchant, and provided that a derogating exclusive place of jurisdiction does not result from the law, our place of business is the exclusive place of jurisdiction for all legal disputes between the supplier and us. However, we are entitled to also bring suit against the supplier before the court at its place of business.
- (2) Unless specified otherwise in the order, our place of business is the place of performance.
- (3) The substantive law of the Federal Republic of Germany applies exclusively to all legal relationships between the supplier and us, under exclusion of the United Nations Convention on Contracts for the International Sale of Good and under exclusion of the rules of international private law.