

General Terms and Conditions of Purchase & Payment (EZB)  
of BELECTRIC GmbH (BELECTRIC) 07/2022

1. Applicability

- (a) Orders by a BELECTRIC company - hereinafter referred to as "Client" – of goods and services are made subject to these General Terms and Conditions of Purchase and Payment ("Terms and Conditions") and also subject to any additional conditions which may be set out in the order.
- (b) Deviating general terms and conditions of the Contractor shall not be part of the contract even where, on a case by case basis, the Client has not expressly contradicted them or where the delivery (goods/services) is accepted without further comments. Any confirmations sent by the Contractor with reference to its general terms and conditions are herewith rejected.

2. Contract conclusion, supplement agreements and written form

- (a) These Terms and Conditions shall become applicable to a contract ("Contract") between the Client and the Contractor which enters into force upon the Contractor accepting an offer, i.e. a written order, of the Client (a declaration of acceptance). The declaration of acceptance shall be in writing and may be delivered to the Contractor in hard-copy or electronically.
- (b) Additional agreements, amendments and additions to the Contract (hereinafter referred to as "Amendments") enter into force upon the Contractor accepting an offer of the Client, i.e. a written order of the Client. The acceptance by the Contractor shall be in writing and may be delivered to the Contractor in hard-copy or electronically. Furthermore, written purchase order shall be deemed accepted, if the Contractor begins with the execution of the ordered goods and services after receiving Client's offer, without raising any objections or reservation.
- (c) The written form is mandatory if a unilateral right ("einseitiges Gestaltungsrecht") or the right to determine the services ("Leistungsbestimmungsrecht") is exercised. The written form for the purpose of these Terms and Conditions means hand-written, type-written, printed or electronically made, and resulting in a permanent record.

3. Subcontract and Assignment

- (a) If the Contractor would like to commission third parties to provide the services, either partially or in full, this shall require the prior written consent of the Client. Correspondingly, this applies to the change of or the use of other subcontractors.
- (b) The Contractor may not assign or transfer the whole or any part of the Contract or any benefit or interest in it without the prior written consent of the Client. The Client may, as security in favour of a bank or financial institution, assign its right to any moneys due, or to become due, under the Contract. The Purchaser may also freely assign its benefits and interests under the Contract or any part thereof to (i) any third party buyer with whom the Client enters into an agreement to sell the goods or services, or any owner of the project which the goods and services are part of (ii) any of Client's affiliated companies.

4. Observance of legal regulations for the protection of the employee

- (a) The Contractor shall comply with all legal regulations for the protection of the employee, in particular all regulations with regard to the payment of the minimum wage, and payment of holiday fund contributions pursuant to the German law on the secondment of workers (AEntG)

and according to the German Act on minimum wages (MiLoG) as well as to comply with the agreed collective regulations concerning its business.

- (b) The Contractor shall ensure and procure that its subcontractors meet these requirements and are contractually obliged to do so. Where doubt exists or arises, the Contractor is obliged to actively seek compliance with the legal regulations. The Contractor's subcontractors are its immediate and all subordinate subcontractors.
- (c) The Contractor shall indemnify and hold the Client harmless from all possible claims, which are made against the Client because of a non-compliance of the Contractor or one of its subcontractors against the German law on the secondment of workers (AEntG), the German Act on minimum wages (MiLoG) as well as further legal regulations giving rise to a possible liability. In the internal relationship with the Customer, the Contractor assumes, in particular, the obligations applying to the Client and Contractor pursuant to Section 14 AEntG, solely and in full. The same shall apply for the engagement of employee-leasing companies pursuant to the German Law on Labour Leasing (AÜG – only applicable in Germany) with regard to claims asserted by the social security funds pursuant to Section 28e, Sub-section 3a) to f) of Social Security Code (SGB IV – only applicable in Germany). In particular the Contractor undertakes to support the Client with regard to the defence of alleged claims against the Client in the best possible way and to provide the latter for example with the necessary information.
- (d) The Contractor shall provide the Client with a certificate of safety issued by an auditor, tax consultant or a social security fund in accordance with the collective bargaining agreement, with a date of issue of the last 3 months. This is to confirm that the general minimum wage, or if it does not exist (to be mentioned in the certificate of safety) the legal minimum wage, is adhered to.
- (e) Alternatively, the Client will also accept the contractor's current extract from the commercial central register, provided by the contractor, provided that it does not contain an entry for violations of the minimum wage law.
- (f) The contractor is obliged to ensure that all subcontractors are contractually bound by the provisions of this section 4. Corresponding evidence must be made available to the Client within the framework of the proper application of subcontractors.
- (g) If the Contractor infringes the obligation to pay the minimum wage or if the Contractor of the obligation does not provide any evidence within a reasonable period set by Client, the Client shall be entitled to terminate the Contract without notice period for serious cause.
- (h) In the event of infringement of the obligation to pay the minimum wage by a subcontractor of the Contractor or the failure to provide any evidence, the Client shall be entitled to terminate the Contract with the Contractor without notice period for serious cause, unless the Contractor has already immediately terminated the contractual relationship with the subcontractor.
- (i) In the event of termination for serious cause without notice period, the Client shall be entitled to have the services and supplies, which have not been performed yet, carried out by a third party at Contractor's cost (less any unpaid amount of the price which would have become due to the Contractor to complete the outstanding Supplies and Services had termination not occurred).

## 5. Code of Conduct

The Client expressly refers to BELECTRIC Code of Conduct which applies within BELECTRIC Group and may be accessed at the following web address: [www.belectric.com](http://www.belectric.com) (path: German: <https://belectric.com/about-belectric/compliance/> , English: [https://belectric.com/wp-content/uploads/2022/02/BELECTRIC\\_Code-of-Conduct.pdf](https://belectric.com/wp-content/uploads/2022/02/BELECTRIC_Code-of-Conduct.pdf)).

The Contractor hereby accepts the principles of BELECTRIC Code of Conduct as binding and shall abide by these principles as well as by the applicable statutory provisions. In particular the Contractor shall not use the remuneration received in accordance with a Contract in a manner which could be regarded as inappropriate influence on public or private decision-makers. The latter is also aware that such behaviour could lead to criminal prosecution. The Contractor further commits itself to supporting and implementing the principles on human rights, labour relations, the environment and anti-corruption set out under the Global Compact initiative of the United Nations ([www.unglobalcompact.org](http://www.unglobalcompact.org)). The Contractor shall ensure and procure that its contractors comply with BELECTRIC Code of Conduct. Where doubt exists or arises, the Contractor is obliged to actively check compliance. The Contractor's contractors are its immediate and all subordinate subcontractors.

If the Contractor or any of its contractors is in breach of the compliance requirements set out in this section 5, the Client shall be entitled to terminate the Contract without notice period for serious cause, unless in case of non-compliance by Contractor's contractor, the Contractor has already immediately terminated the contractual relationship with the respective contractor.

## 6. Sanctions

- (a) Sanctions shall mean any economic or financial sanctions or trade embargoes implemented, administered, or enforced by the Federal Republic of Germany, the European Union (EU) or the United Nations Security Council. Sanctions shall also mean any economic or financial sanctions or trade embargoes implemented, administered, or enforced by the United States of America, unless this constitutes a violation of the German Statute on Foreign Trade (Außenwirtschaftsverordnung – "AWV"), or compliance with such Sanctions constitutes a violation of Regulation (EC) No, 2271/96, or any comparable legislation of the EU. Neither the Contractor nor any of its subsidiaries nor, to the best of the Contractor's knowledge, any director, officer or legal representative of the Contractor or any of its subsidiaries is a person against whom applicable sanctions have been imposed, or is owned or controlled by a person against whom applicable sanctions have been imposed.
- (b) Neither the Contractor nor any of its subsidiaries nor, to the best of the Contractor's knowledge, any director, officer or legal representative of the Contractor or any of its subsidiaries is involved in any action, business or contract which is subject to Sanctions either due to the subject of the transaction, or due to the transactions' counter-party, or due to the country where the products and/services are delivered to.
- (c) The Contractor:
- shall comply with all sanctions and export control requirements applicable to it and its business activities as far as actions in connection with a Contract are concerned;
  - shall not sell, supply or transfer items received from the Client to third parties if this would result in the Client violating any applicable sanctions or export control regulations;
  - shall not sell, supply or transfer items received from the Client to any third party to the extent prohibited on the basis of any applicable sanctions or export control regulations;
  - shall not perform any actions that result in the Client violating any applicable sanctions or export controls;
  - shall immediately inform the Client in writing if the Contractor becomes aware of any event or matter which may result in a violation of applicable sanctions or export controls by the Contractor or by the Client as far as any activities related to a Contract are concerned.

- (d) Notwithstanding other provisions of this section, the Client shall be entitled to terminate any business activity, delivery and/or any related contracts thereto (including the Contract) with immediate effect in the event that the respective Contract or any part thereof or the Contractor's actions result in the Client violating any applicable sanctions or export control regulations.

## 7. Delivery

- (a) Delivery instructions, in particular delivery addresses, shall be observed in precise detail. The Client is entitled to reject any goods or services delivered to it that do not comply with delivery instructions. Cost incurred due to non-compliance with the delivery instructions shall be for the account of the Contractor, unless the Contractor proves that it is not responsible for them.
- (b) Dispatch notes shall be sent together with easily identifiable order details to the Client, the delivery address, and to any other addresses of recipients indicated in the order and shall additionally be enclosed with the delivery.

## 8. Deadlines/acceptance

- (a) The delivery times/deadlines of performance indicated in the order are binding and of essence to the Contract. The Contractor undertakes to notify the Client immediately if circumstances occur or are identified which indicate that the delivery time agreed upon or the deadline of performance agreed upon cannot be met. This shall not affect the Client's statutory or other contractual rights in the event of default.
- (b) Client may reject any premature delivery or performance unless it is with Client's prior written agreement.
- (c) Unless otherwise agreed, and without prejudice to Client's other statutory and/or contractual rights and remedies, in the event of default on the part of the Contractor, the client is entitled to apply delay liquidated damages in amount of 0.3% of the price of delayed goods or services per each working day of delay, limited however, to a maximum of 15% of Order's total price. The Client reserves the right to provide proof of higher damages, in which case the delay liquidated damages will be set off against any higher compensation claims. The Contractor is also entitled to provide proof of lower damages. The Client is entitled to set off the amounts due to Contractor under any Contract with any and all amounts, including delay liquidated damages, owed by Contractor to the Client or any of BELECTRIC companies.
- (d) Client shall be entitled to terminate the Contract immediately for good cause, by means of a written notice if the maximum amount of delay liquidated damages is reached.
- (e) Performance of services is subject to formal acceptance by means of a completion protocol. The Contractor undertakes to notify the Client of the completion of services. No conduct of the Client shall imply acceptance; in particular, the use, resp. the commissioning, of such goods or services supplied under the Contract do not qualify as acceptance. The deemed acceptance (Annahmefiktion) regulated in § 640 subsection 2 BGB (German Civil Code) is only possible under the condition that the Contractor has already fulfilled all deliveries and services including the complete final documentation and has requested the Client to take acceptance giving a deadline of 14 days. Furthermore, the Contractor is obliged to point out to the Client what the consequences are of not declaring acceptance or declining acceptance without naming the defect after such a written request for acceptance.

## 9. Changes of the scope of services and/or goods

The Contractor may not proceed with any changes in the scope of service or goods unless such change is instructed by the Client pursuant to this section 9. Changes in the scope of delivery and/or performance of services (including the extension of contractually agreed deadlines) may be initiated by the Client by means of a change order to the Contractor. The Contractor shall execute and be bound by each change order, unless the Contractor promptly gives notice to the Client stating (with supporting particulars) that: (i) the changes will reduce the safety or suitability of the works or the project; (ii) it would be prohibited by Applicable Law; or (iii) it could infringe a permit, licence or approval or require additional permits, licences or approvals to be obtained. Necessary revisions of documents do not give reason for extension of time or additional compensation to the extent they do not affect project schedule or result in extra works.

The Client may instruct the Contractor in the change order to proceed with the changes immediately or within a reasonable time set out by the Client, and that any additional costs shall be invoiced based on documented direct external costs plus 5% overhead. All reimbursable expenses must at all times be approved by Client in advance and in writing and all expenses must be supported by receipts provided with each invoice. The Contractor shall further be entitled to an extension of contractual deadlines for delays caused by a change order.

Alternatively, the Client may require the Contractor in the change order to provide an offer regarding the effects of the requested change, particularly any increase or reduction in cost or any effects on delivery deadlines. The Contractor shall provide the offer no later than seven (7) calendar days from Client's change order. The Contractor shall not start with any change until the change order and its particulars are agreed and set out in writing between Client and Contractor.

In case of risks of delays or an emergency, the Client shall be entitled to instruct the Contractor to proceed with changes even if the Parties have not agreed on the particulars of a change order in writing yet. In such case the Contractor shall comply with Client's instruction in the change order issued by the Client. The Parties shall then proceed with agreeing on consequences of the change order (including any additional costs or extension of time). Any dispute shall be resolved in accordance with section 28.

## 10. Prices

- (a) Except where expressly agreed otherwise, the prices stated in orders are fixed prices and inclusive of all costs, charges and expenses incurred by the Contractor in relation to the goods and services and their delivery unless otherwise specified in the Order. All prices are net, VAT shall be added as applicable. Where no prices are stated, the Client reserves the right to recognise the prices calculated subsequently. Unless agreed otherwise in writing, prices are for DDP delivery (Incoterms 2020), including packing, duty and insurance up to the stated delivery address/place of use. If the Client does not wish to keep the packaging, it shall be returned at the expense of the Contractor and the packaging cost invoiced shall be reduced accordingly; this also applies to pallets of all types, including pool pallets.

Unless a different currency is specified (in words and not just symbol) in the order, prices for any supply shall be in Euro.

## 11. Securities/guarantees

Securities and bonds shall be agreed for each individual Contract insomuch as the Client is not already entitled to demand the same under applicable law.

## 12. Invoicing and payment

- (a) The invoice shall comply with sections 14 and 14a of the German Sales Tax Act (Umsatzsteuergesetz). A single copy of the invoice shall to be sent to the invoice recipient stated in the order and to the invoice address indicated there detailing the VAT at the rate applicable at the time of delivery / service provision separately.
- (b) Advance payments / progress payments made shall be shown separately in the invoice. Contractors of construction services shall indicate the tax number given by the inland revenue in the invoice and provide furthermore an exemption certificate according to section 48b EStG. In the event of lump sum prices, invoice shall only be valid if issued pursuant to acceptance of invoiced services in accordance with Section 8(e) of these Terms and Conditions.
- (c) All payments by the Client are subject to the following conditions:
  - Correct and complete delivery and, where applicable, acceptance,
  - Receipt by the Client of the securities/bonds agreed in the order,
  - Receipt of a correct invoice in accordance with the aforementioned conditions,
  - Receipt of confirmation of correct quantities and quality (agreed specifications, time sheets, plant certificates, expert opinions, acceptance reports etc.) inasmuch as included in the scope of supply.
- (d) Unless any other terms of payment have been agreed in the order, the Client shall pay for any amount due by wire transfer within ninety (90) days from receipt of a valid invoice and provided the above mentioned terms of payment have been met. The Contractor may request payment to be made fourteen (14) days upon receipt of invoice less 3% discount or thirty (30) days from receipt of invoice less 2% discount, and the Client may accept a requested early payment at its own discretion. The discount period, however, shall only begin when these conditions have actually been met. Discount deductions can be withheld both from advance payments and from progress payments and final payments. Where a discount has already been deducted from an advance payment or progress payment, the base amount for the discount in the final invoice will be reduced by that advance payment or down payment amount and the discount shall only be withheld from the remaining amount. Payments are always made subject to adjustment in the event that objections should be made subsequently.
- (e) The Client shall be entitled to withhold payments or part thereof if the respective provided goods and/or services are delayed, defective, or do not comply with the agreed requirements under these Terms and Conditions or the Contract. The Client shall have the right to set off and reduce payment against the amount of any damages, penalties, retention rights and/or indemnities which may become payable hereunder. For the avoidance of any doubt, a payment shall not be deemed as an acceptance by the Client of the goods and services being in compliance with all requirements set forth in herein or in the Contract. The Client shall not be required to reserve the right to impose a deadline penalty on receipt of the goods and services. Rather, it shall be entitled to assert that right irrespective of whether such reservation is made.
- (f) If, at the time of settlement of accounts, a Contractor of construction services does not present a valid certificate of exemption for tax under section 48b, subsection 1, sentence 1 (Freistellungsbescheinigung) of the German Income Tax Act, a tax deduction of 15 % of the consideration within the meaning of section 48 of the German Income Tax Act is made and paid over to the tax office responsible for the Contractor in accordance with the Act to Control Illegal Employment in the Construction Sector (Gesetz zur Eindämmung illegaler Betätigung im Baugewerbe). In order to compensate for the resulting additional accounting costs, the Client is entitled to deduct a lump-sum allowance of € 100 from the Contractor's invoice. This is without prejudice to any other claims arising thereof.

- (g) In case services are charged on hourly basis, the input tax (Vorsteuerabzug) shall be deducted from any travel costs (transportation cost, accommodation cost etc.) in accordance with the tax guidelines in force. When calculating costs, the places of arrival and return must be indicated. All receipts must be correct and permanently legible.

#### 12.b. Intra-trading Statistics (recording of intracommunal trading of goods)

In the case of intra-community trading of goods, which have to be notified to the federal office of statistics, the invoice needs to detail an according notice and the relevant article number.

#### 13. Assignment of receivables/setoff

Without prejudice to an assignment of any financial claim under section 354a of the German Commercial Code (HGB), the Contractor is not entitled to assign payment claims against the Client to third parties or to have them collected by third parties, unless the Client has given its prior written consent.

#### 14. Title/provision of materials/processing/risk transfer

- (a) Title to the goods and services, or parts thereof shall pass to the Client at the earlier of:
  - i. the Contractor receives payment of the price (in cash or cleared funds) for the goods and services, or respective parts thereof, and
  - ii. Delivery of the goods and services, or respective parts thereof as per the Contract.
- (b) Materials provided by the Client shall be kept separate by the Contractor from other materials, marked as being the property of the Client, and kept with the due diligence of a prudent businessman. The Contractor is obliged to prevent access by third parties and to inform the Client immediately on request of any changes in the quantity (such as theft, loss and destruction) or condition (such as loss of application) of the materials provided.
- (c) Risk of goods transfers to the Client upon receipt of them at the delivery address. With respect to deliveries for which acceptance takes place, the risk transfers on acceptance, regardless of whether the items to be delivered have already been received. On collection by the Client, the risk transfers to the Client as soon as the delivery has left the Contractor's site.
- (d) The Client shall be entitled at any time to inform itself of the status of the service rendering under the contract, and in particular on the contractual and orderly progress of the manufacturing in the plants of the Contractor or plants of the Contractor's suppliers.
- (e) In the case of dismantling or repair work at the Client's premises, removed materials, components, etc., or excess materials provided by the Client, shall be returned to the Client in an orderly manner and without delay.
- (f) Any processing or transformation to be carried out by the Contractor as per the Contract or as per Client's written instructions shall be carried out for and on behalf of the Client. If goods for which the Client has reserved ownership are processed with other objects not belonging to the Client, the Client shall acquire co-ownership of the new object in the ratio of the purchase value plus VAT of the object belonging to the Client to the other processed objects at the time of processing. The latter shall apply mutatis mutandis to mixing and combination unless another object not belonging to the Client is to be regarded as the main object.

- (g) The documents provided to the Contractor by the Client or third parties shall not become the property of the Contractor and shall be returned to the Client at the latest after fulfilment of the contract, and as a condition to final payment.

#### 15. Rights to use/industrial property rights/inventions

- (a) The Contractor shall permanently grant the Client a free of charge, temporally and geographically unrestricted, transferable, non-exclusive, irrevocable right of use regarding the goods and services delivered under a Contract, as well as any protective rights related to these deliveries. The Contractor shall enable the Client and the IT service provider to make the right of use, and thus also the services specified in the Contract, available to the Group companies. Group Companies within the meaning of these Terms and Conditions are besides the Client all those companies, which pursuant to sections 15 et seq. of the German Stock Corporation Law (AktG) are affiliated with BELECTRIC GmbH (collectively referred to as „Group companies“).
- (b) The rights of use granted to the Client under these Terms and Conditions shall also apply to any new versions (e. g. updates, upgrades, releases, patches, bugfixes) of the delivered goods and services and of any other rights related to goods and services, that are made available to the Client.
- (c) Insofar as the work results of services rendered under a Contract are eligible for patent/utility model protection, the Client shall have the title to such rights and, if required for exercising such title, the Contractor shall grant the Client property thereto, including the right to file the patent/utility model application in his own name or by acting as an agent. The Contractor has to provide evidence if he pleads that the patent/utility patent has not been generated in connection with the Contract.
- (d) The right of use also entitles the Client to make changes to the goods and services and also includes illustrations, drawings, calculations, analysis methods, recipes and other works.
- (e) Insofar as results of the services are eligible for other property right protection arising from the Contract, the Contractor shall transfer at no charge to the Client the title to those rights or, where not possible under applicable laws, an exclusive, irrevocable, temporally and geographically unrestricted, sublicensable and transferable right of use. The Client shall have the right to use the work results in all types of use, including, but not limited to the right to reproduce, redesign and publish and exploit the work results. The Contractor has to provide evidence if he pleads that the work result has not been generated in connection with the order. For programming work, the Contractor shall be obliged to hand over to the Client the source code for the created softwares.

#### 16. Warranties

- (a) The Contractor represents and warrants that as at the date of delivery or acceptance, where required, all goods and services are (i) in conformity with the specifications and requirements as laid down in the Contract, (ii) fit for the intended purposes, (iii) free and clear of all defects in design or workmanship, (iv) free from all claims or other title encumbrances, (v) in accordance with the state of the art at the time of conclusion of the contract and the generally-recognised technical and health-and-safety related stipulations of worker compensation boards (Berufsgenossenschaften) and professional associations as well as the guidelines issued by public authorities, and (vi) are in compliance with all applicable laws including the respective environmental protection regulations.
- (b) The Client has full recourse to all statutory warranty claims. The Contractor accepts a statutory warranty period of 24 months covering any defects in the delivered goods /service; this period begins with the delivery of last item of goods and, if applicable, acceptance of the respective

service. However, this provision shall only apply where no longer warranty or limitation periods apply under the Contract or statutory regulations. Notices of defects shall suspend the limitation period until the defect complained of has been remedied.

- (c) The aforementioned warranty period is followed by a six-month period, within which the Client and Contractor shall settle any claims not yet settled or obtain a decision of a third party, e.g. of a court of law.
- (d) Any faults or defects occurring during the warranty period - e.g. due to execution not in compliance with the contract, sub-standard materials, or non-compliance with statutory regulations or recognized engineering standards - shall either be remedied by the Contractor at its own expense or replaced by a new delivery executed in compliance with the contract, at the discretion of the Client.
- (e) If the Contractor fails to remedy the faults and defects in response to the Client's first complaint within the deadline set, the Client shall be entitled, without further notice or setting of a grace period being necessary, to remedy the defect itself or have it remedied by third parties, and to deduct the expenses incurred from the Contractor's invoice or to charge these to the Contractor's account. This is without prejudice to Client's other statutory rights and remedies with respect to the defect or Contractor's failure to remedy such defects.
- (f) In those cases, in which remedial performance fails, the Client is entitled to termination of the Contract or a price reduction; this is without prejudice to claims for damages, in particular claims for damages instead of performance.

#### 17. Third-party property rights

- (a) The Contractor undertakes that all goods and services to be provided by it are unencumbered by third party rights. In the event of an infringement of property rights of third parties, the Contractor shall, at the discretion of the Client, procure for the Client the rights to use the goods and services or change them in such a way that it is no longer encumbered by third party rights.
- (b) Furthermore, the Contractor shall indemnify the Client among themselves against all claims asserted by third parties with respect to infringements of property rights. Further claims and rights to which the Client is entitled under law in this respect shall remain unaffected. Such obligation of exemption shall remain in force for a period of 10 years after time of performance.

#### 18. Liability

The Contractor shall be liable for any breach of duty and the resulting damages unless the Contractor proves that it is not responsible for such breach of duty. The Contractor is further obliged to release the Client from any claims for damages by third parties asserted against the Client by such third parties for reasons based on defective delivery (goods/services) by the Contractor, unless the Contractor can prove to the Client that the Contractor is not responsible for the circumstances that caused the loss. The foregoing provisions shall also apply if the Contractor employs a servant or vicarious agent.

#### 19. Liability for competition (anti-trust) law violations

- (a) Should the Contractor in respect to the contractual services be demonstrably involved in an unlawful restraint of competition prior to a Contract and / or before or after a Contract act anticompetitively, or is in any other manner in breach of, or causes breach of, EU or German competition or anti-trust regulations, it shall be required, irrespective of the other liability rules, to pay liquidated damages in the amount of 15% of total Contract price, unless a damage has

been accounted for in a different amount. This also applies if the Contract has been terminated or already been fulfilled. Other rights of the Client remain unaffected.

- (b) Unlawful restrictions of competition are in particular anti-competitive negotiations, recommendations or appointments with other bidders (tenderers) / applicants regarding
  - submission or non-submission of bids (tender) including territorial agreements,
  - pricing as well as profit arrangements or
  - delivery quantities.
- (c) Acts of person appointed by Contractor or working for Contractor, are treated in the same way as acts of Contractor himself.

## 20. Insurance

- (a) The Contractor shall take out liability insurance with an authorized insurance company covering any damage caused by its personnel or by its supplied goods and services to the amount of:
  - EUR 10,000,000.00 for bodily injury,
  - EUR 10,000,000.00 for property damage

for each damage event. The insurances shall include all risks arising out of product liability, including all bodily and property damages, all consequential losses, the costs for recall and damages for care, custody and control due to workmanship ("Bearbeitungsschäden"). Furthermore the Contractor shall take out and maintain an environmental liability insurance in an adequate amount. The Contractor shall present to the Client, upon written demand, written proof of the respective insurance policies. Without derogating from coverage of liability of the Contractor towards the Client, the insurance shall be extended to indemnify Client in respect of any liability which may devolve upon the Contractor due to any aforesaid bodily injury and/or property damage.

- (b) Insurance payments shall not derogate from the Contractor's liability under the Contract and/or under any law, and should the insurance payments be insufficient in order to cover the extent of the loss and/or the damage actually caused, the Contractor shall be responsible for completing such.

Without derogating from the duty to provide the insurance certificate as detailed above, the Contractor undertakes to provide the Client with a certificate of insurance, within five (5) days of the Client's first request.

## 21. Termination

- (a) The Client is entitled to terminate the Contract at any time. In such an event, the Contractor shall receive that part of the remuneration that corresponds to the performance so far carried out in proportion to the overall performance, unless the Contractor can prove that its savings (after taking into account the Contractor's margin) in respect of the services not yet provided are lower.
- (b) The Client is entitled to terminate the Contract by a written notice to the Contractor if:
  - i. the Contractor commits a material breach of the Contract which breach is irremediable or (if such breach is remediable) fails to remedy that breach within a period of 10 days after being notified in writing to do so;
  - ii. the Contractor repeatedly breaches any of the terms of the Contract;

- iii. the Contractor subcontract or assign the Contract in breach of section 3 of these Terms and Conditions;
  - iv. the maximum amount of Liquidated Damages as set out in section 8(c) is reached, unless the Contractor shall notify readiness to continue to pay Liquidated Damages in excess of the cap and the Client accepts such solution;
  - v. any other ground for termination has arisen under German Law which allows the Client to terminate the Contract for cause.
- (c) However, if the Contract is terminated for serious cause because of the Contractor's default, the latter shall only receive that part of the remuneration that corresponds to the performance so far carried out and being used by the Client in proportion to the overall performance after deducting Contractor's liabilities as follows. Any further claim to remuneration by the Contractor is excluded in this case. The Contractor shall be liable for all losses and damages incurred by the Client as a result of the termination, including any consequential loss or additional costs arising in connection with completing the unfinished part of the goods and services. Where a serious cause for termination has occurred, the Client may suspend any payment to the Contractor until termination takes effect and any due remuneration is calculated after setting off against Contractor's liabilities.
- (d) The Client may terminate the Contract without observing deadlines if insolvency proceedings concerning the Contractor's assets are filed or opened. Statutory rights of withdrawal remain unaffected.

## 22. Rescission/ Termination in case of antitrust violations

The Client shall be entitled to terminate the Contract without notice period or rescind it (i.e. declare it to be void and invalid, retroactively), depending on the type and time of violation, if the Contractor has demonstrably participated in anti-competitive agreements to the Client's detriment. In the event of early termination without notice period, the Contractor shall only be entitled to that part of the agreed remuneration for goods and services that corresponds to works / services already performed without defects. In the event of rescission, the statutory provisions shall apply.

## 23. Health and Safety regulations

- (a) In the course of execution and implementation of the contract, the Contractor is obliged to observe the applicable provisions and recognized engineering standards, especially with regard to industrial health and safety, as well as the provisions applicable under construction, trade and traffic laws (in particular, supervisory and traffic safety duties on construction sites and other workplaces); this shall also apply to the applicable environmental protection and waste management regulations. Supplies and services must comply with the laws, regulations and directives prevailing at the time of the delivery and/or acceptance.
- (b) Except where provided for otherwise by the Contract, the Contractor shall be the responsible party for any waste produced as a result of supplied goods and services, such as packaging materials, material residues, offcuts etc. On accepting the order, the Contractor affirms that it will immediately and properly dispose of any waste it produces in line with the legal requirements, in particular the German Recycling and Waste Management Act (KrW-/AbfG) and subordinate legislation, as well as any applicable state waste management acts and municipal waste disposal regulations, the Water Household Management Act (WhhG), the Goods Traffic Act (GKvG), the Ordinance on Transportation of Hazardous Materials by Road, Rail and Inland Waters (GGVSEB), as well as the Hazardous Materials Act, as amended.

- (c) The Client shall be entitled to carry out checks to determine whether the Contractor or any subcontractor is in compliance with its public, legal and contractual obligations. To that end, the Client shall be entitled to request and inspect the documentation to be kept by the Contractor and its subcontractor in accordance with the legal regulations and project's permits. The Contractor shall further inform the Client in advance about transport and storage of goods, in particular, transport vehicles, transport routes and locations of the respective plants and/or storage sites.
- (d) When delivering hazardous substances or products containing hazardous substances, which are subject to the Ordinance on Hazardous Substances (GefStoffV), to the Client, material safety data sheets complying with EC regulation no. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) in conjunction with Section 6 of the Ordinance on Hazardous Substances shall be enclosed to the offer or the delivery note. These datasheets shall be delivered to the Client in German language or officially translated to German language. In case there are any changes to the composition or new findings on the impact of the substances/formulations of supplied goods and services on humans and the environment, the Contractor shall send an updated material safety data sheet to the Client without delay, indicating order number, order item as well as material number. Delivery of the material safety data sheets forms part of the agreed scope of performance; any costs the Contractor incurs in this respect are considered to be included in the prices.
- (e) Machines within the scope of the 9<sup>th</sup> Ordinance of the German Product Safety Act (Produktsicherheitsgesetz (ProdSG)) – Machinery Ordinance (Maschinenverordnung – 9.ProdSV) as well as electrical operating equipment being subject to the Low Voltage directive (Niederspannungsrichtlinie 2014/35/EU) shall include a CE mark and be delivered with operating instructions. The declaration of conformity and the operating instructions shall be handed over to the Client latest with the delivery of respective goods. Deliveries of machines not ready for use must include a manufacturer's declaration.
- (f) In addition, the Contractor shall comply, and procure compliance of its suppliers and contractors, with Client's supplementary requirements on waste disposal and occupational safety, to the extent these requirements are provided to the Contractor or is publicly available on Client's website..

#### 24. Data protection

- (a) The Client and its service providers (data processors) engaged by the Client may process all personal data obtained under the contractual relationship or during the conduct of precontractual activities with the Contractor in accordance with the applicable data protection and privacy laws including but not limited to the General Data Protection Regulation (GDPR)
- (b) Likewise, the Contractor and its service providers/agents shall comply with the applicable data protection and privacy regulations including the GDPR. The Contractor shall protect the received personal data with appropriate technical and organizational measures pursuant to Art. 32 of GDPR and inform the Client immediately of any incident that may affect the integrity or privacy of the data. If the Contractor is a processor, it may process the personal data only on the basis of the agreed order of processing and only in accordance with the instructions of the Client.
- (c) Any details shared by the Client shall not be used for the purpose of advertising or market/opinion research unless written permission has been given for this purpose by the Client in advance or the agreed service allows this explicitly.

#### 25. Information security (IT/OT)

- (a) The Contractor shall inform the Client immediately of any information security incidents or possible information security risks (such as any open security vulnerabilities or threats to information security) that affects or could affect the Client.
- (b) The Contractor shall allow the Client to use dedicated scanning stations in the plants to check third-party components for malware. If information security risks (such as open security vulnerabilities or threats to information security) are identified during the scan, the Client will inform the Contractor. As long as the vulnerabilities have not been remedied, the Client shall share this information exclusively with the Contractor, but not with other third parties.

## 26. Confidentiality

The Contractor, its own personnel, agents, and consultants as well as that of its subcontractors shall be obliged to maintain the confidentiality of all commercial and technical information not already in the public domain that becomes known to them by virtue of the business relationship (also including the date/period of any overhaul or measure) as confidential and not to make it available to third parties. All Contractor's employees, agents, and consultants, including those of the Contractor's subcontractors shall be obliged accordingly.

## 27. References/advertising/photography

The Contractor is not entitled to use information concerning intended or existing or finished contractual cooperation for reference or marketing purposes without Client's prior written consent. Also, photography on the property and/or construction sites of the Client, and any kind of publication in this respect without Client's prior written consent is prohibited.

## 28. Place of performance/jurisdiction/choice of law

- (a) Place of performance for supplies and services provided by the Contractor is the delivery address/place of use indicated by the Client or any other place agreed between the Parties for delivery of goods and/or services.
- (b) Unless otherwise expressly provided for by law, the place of jurisdiction for any disputes arising under or in connection with a Contract is Schweinfurt, Germany.
- (c) The laws of the Federal Republic of Germany shall apply exclusively, excluding its conflict of law rules. Application of the UN Convention on Contracts for the International Sale of Goods is excluded.

BELECTRIC GmbH

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