



General Terms and Conditions of Purchase Beulco GmbH & Co. KG

1. Scope of Application

- a) Except where otherwise agreed in either individual agreements, our purchase order or in other prevailing conditions these general terms and conditions of purchase shall govern all purchase orders placed with businesses, including service contracts or contracts for works and materials.
- b) Any conflicting terms of the Supplier shall only be binding upon us where we have expressly consented to the same. Any failure on our part to reject any such conflicting terms shall not be deemed as recognition thereof or consent thereto. Such conflicting terms are hereby expressly rejected.

2. Purchase Orders, Product Specification

- a) Our purchase order must be made in writing. This also applies to any supplements or changes to any agreements made, including these terms and conditions of purchase.
- b) We do not accept variations in delivery quantities. Exceptions need to be approved in writing.
- c) We accept variations in delivery quantities of semi-finished goods provided that we have given our prior approval of such variation in writing and that the variation does not exceed +/- 10 per cent.
- d) The Supplier shall confirm each purchase order in writing within 48 hours of its receipt. Where we have not received an order acknowledgement within one week of the purchase order date we shall be entitled to revoke the purchase order. The purchase order date shall be the date written on the purchase order.
- e) Except where otherwise stated in the purchase order, the goods shall be supplied of a quality which is customary in the trade and – insofar as industrial standards or regulations such as DIN, DVGW, VDE, VDI or similar standards apply – in conformity therewith together with any agreed manufacturer's certificate. Where differing regulations apply the prevailing regulation shall be deemed agreed.
- f) The Supplier shall inform us without delay of any changes or adaptations he makes to his production. Where the Supplier ceases production, he shall ensure that any raw materials, additives and means of production ordered by us are available for at least one year after discontinuation of production.
- g) The Supplier shall not assign to any third party performance of its obligations under these terms and conditions without our express written approval.

3. Price, Invoice and Payment

- a) The agreed prices are fixed. Except where otherwise agreed they include delivery to the delivery address specified, packing and shipping cost.
- b) Where the Supplier desires specific payment terms e.g. letter of credit, expedited credit transfer etc. any expense incurred thereby shall be borne by the Supplier.
- c) Where the Supplier reduces his prices before the delivery date, we shall benefit from the price reduction. The Supplier further undertakes to disclose to us any potential he may have to optimise his performance under the contract.
- d) Both parties shall be entitled to request a price adjustment upon three months notice, where the terms of the contract are radically changed due to changes in internal processes and/or basic conditions. Such request must be made in writing with evidence of such changes.
- e) Invoices submitted must show the full purchase order number, item and delivery note number and statutory value added tax. The Supplier shall be liable for all consequences arising from his failure to give correct details or any details at all of his VAT identification number or sales tax certificate.
- f) Except where otherwise agreed in writing payment shall be remitted within 15 days less 3% discount or 30 days without deduction, from the date of receipt of the service, receipt of invoice after receipt of the service or a later point of time determined by the Supplier, by means of payment upon our choice.
- g) Any assignment by the Supplier of its claims against us is subject to prior written consent.

4. Delivery Date, Penalties, Shipping Documents

- a) Agreed delivery dates and terms are definitive and are to be met on time. Delivery by installment and premature deliveries are only permitted where we have given our prior consent thereto.
- b) Where there is a risk that a delivery date or term cannot be met the Supplier shall inform us without delay giving reasons for the delay and the anticipated duration thereof. The Supplier shall remain bound to comply with the delivery date. We shall then be entitled to set the Supplier a reasonable grace period. Where the Supplier declares his inability to comply with the same, we shall be entitled to rescind the contract and, insofar as the Supplier is in default, to claim reimbursement of the additional cost incurred by a replacement delivery / replacement performance by a third party.
- c) Any other or additional claims to which we are entitled either by law or under the contract in the event of the Supplier's failure to deliver on time shall remain unaffected.
- d) Where the Supplier fails to comply with his obligation to notify as set out under 4 b) aforesaid, he shall be prohibited from raising the defense that he was not in default.
- e) Where the agreed delivery date / delivery term is not met by the Supplier through the Supplier's default, we shall be entitled to claim 0.25% of the net order price per day as liquidated damages provided that the sum of liquidated damages payable does not exceed 5% of the total net order price. It is sufficient where the claim for liquidated damages is submitted upon the last payment. Any claim to additional compensation shall not be affected by the aforesaid.
- f) The Supplier shall reference our purchase order number in all notifications of shipment, bills of lading, package labels and invoices. Any cost incurred through non-compliance with the aforesaid shall be borne by the Supplier.
- g) The Supplier undertakes to facilitate inspection of certificates of origin and sub-suppliers declarations by customs, to provide the requisite information and any official confirmation required. Where the goods originate from within the European Union proof of origin shall be provided by the Supplier with a long-term supplier declaration prescribed by the European Directive 1207/2001 dated 11th June 2001. In the event that the content of any declaration or certificate submitted by the Supplier is incorrect, the Supplier shall compensate us for any damage incurred.

5. Act of God

Where the Supplier fails to meet a delivery date or term due to an act of god or a strike through no fault of the Supplier we shall be entitled to demand performance at a later date without any claim accruing to the Supplier or upon the expiry of a reasonable deadline to rescind the contract in part or in full.

6. Packing, Shipping, Acceptance, Risk

- a) The Supplier shall pack the goods in a suitable manner. Any payment of packing and

shipment cost is subject to our written consent. We are entitled to return packing materials to the Supplier carriage paid, insofar as the Supplier is not a service enterprise within the meaning of the packaging regulations.

- b) The goods shall be shipped carriage paid to the delivery destination specified by us. Where, by separate agreement, we agree to pay the shipment cost and fail to give instructions as to method of shipment, the Supplier shall ship the goods using the most cost effective method, bearing in mind the urgency of the transaction.
- c) Where, due to an act of god or other circumstances beyond our control – including strikes -, we are unable or it is unreasonable for us to take delivery of the goods, we shall not be deemed in default of acceptance but shall be entitled to specify to the Supplier an alternative delivery address.
- d) All risks pass to us upon delivery and acceptance of the goods at the prescribed place of delivery. The Supplier bears the risk until such point of time.
- e) In order to facilitate proper unloading of the goods and where requested by the Supplier we shall provide lifting equipment at the Supplier's cost. The Supplier is responsible for unloading the goods, in particular for any damage incurred by the goods during unloading.
- f) Where the Supplier is obliged to perform services on our premises he shall familiarise himself with the local and any other circumstances. Any damage incurred as a result of his failure to comply with the aforesaid shall be borne by the Supplier. The Supplier shall request and countersign our information sheet on work safety for external firms. Failure to countersign shall not release the Supplier from his obligations aforesaid.

7. Shipment of Hazardous Goods

- a) We presume that the Supplier, as a distributor of goods, has comprehensive knowledge as to any risks associated with his goods in terms of shipment, packing, storage etc. Prior to the acceptance of our order he shall check as to whether the goods ordered or their components can be categorised as hazardous (e.g. paints, glues, chemicals or flammable, oxidising, explosive, combustible, poisonous, radioactive, acidic or self-heating goods). The Supplier shall inform us of any such circumstances without delay. Furthermore the Supplier shall ensure that only goods are delivered which comply with the REACH directive.
- b) The Supplier shall provide us with all necessary mandatory declarations properly completed and signed latest with his order acknowledgement.
- c) All packing, labelling and declarations shall be in compliance with the most recent national and international provisions :

Sea Freight:	Hazardous Goods Ordinance - See IMDG-Code
Air Freight:	UN/ICAD; IATA
Rail Freight:	Hazardous Goods Ordinance for Road and Rail (GGVSE) and RID
Road Freight:	Hazardous Goods Ordinance for Road and Rail (GGVSE) and ADR

as well as with additional provisions in force in the country of delivery, in so far as the Supplier was informed of such provisions.

- d) The Supplier shall be responsible for all damage incurred due to incorrect information in mandatory declarations or due to a failure to observe existing regulations when handling (packing, shipment, storage etc.) of hazardous goods.

8. Proof of Export

Where the Supplier or his agent delivers or ships goods which are not bound for the Federal Republic of Germany he shall provide us with requisite tax documents and any evidence of export required by customs regulations.

9. Inspection, Notification of Defects

- a) We are not obliged to carry out incoming inspection and notify the Supplier of any defects until the goods / services have been supplied in full.
- b) The Supplier acknowledges that random checks as to the type, weight, size and appearance of the goods carried out without delay on delivery but not later than 28 days after delivery shall constitute a proper goods incoming inspection.
- c) We are not obliged to carry out any technical functional testing or any other testing.
- d) We shall notify the Supplier of any defects discovered during the aforesaid inspection no later than 28 days after the inspection date, or, in relation to hidden defects, 28 days after discovery.

10. Warranty

- a) The Supplier is aware that we are a company dealing in sanitary facilities and of the stringent quality requirements relating to the goods.
- b) The Supplier warrants that the goods are free of defects, in particular in relation to clause 10 a) aforesaid and that the goods comply with all legal and regulatory requirements, to include without limitation employment and environment safety regulations, including where the goods are custom built.
- c) Where the goods/works supplied do not comply with the requirements set out in clause 10 b) aforesaid, we shall be entitled to demand supplementary performance – where necessary using a different construction or material composition – or to rescind the contract, or to demand a reduction in the purchase price. Supplementary performance shall constitute at our option rectification of the defect or the supply of replacement goods free of defects. The supplier shall carry out the supplementary performance within a reasonable period of time from the time we have informed him of the defect. Any statutory or contractual claim based on faulty delivery shall be unaffected by the aforesaid.
- d) Where for operational reasons supplementary performance is urgent the Supplier shall, where necessary, work multi shifts or overtime or bank holidays insofar as is reasonable. The Supplier shall bear all costs incurred due to supplementary performance including all inspection and dismantling costs.
- e) Rejected goods shall remain at our disposal until replacement goods which are free of defects are supplied whereupon the rejected goods shall become the property of the Supplier.
- f) Where the Supplier is in default of supplementary performance we shall be entitled to remedy the defect ourselves or through a third party or purchase replacement goods.
- g) For a withdrawal due to a defect, it is not necessary to set a deadline for supplementary performance, if the supplier has not carried out the supplementary performance despite the expiry of a reasonable deadline from a point in time at which the customer informed him of the defect, if a defect becomes apparent despite the supplementary performance attempted by the supplier, if a defect is so serious that the immediate withdrawal is justified, if the supplier has refused the proper supplementary performance or if it is obvious from the circumstances that the supplier will not properly supplementary perform. In all of the aforementioned cases, no deadline need be set for a claim for damages due to a defect.
- h) The limitation period for warranty claims in relation to goods which under normal circumstances are used for building construction shall be 72 months. The limitation period for all other goods shall be 36 months. The limitation period shall commence upon the passing of risk. The limitation period shall be extended by the duration of supplementary



performance, beginning upon receipt of our defect notification until such time as the Supplier confirms completion of supplementary performance or declines in writing further supplementary performance. Where we undertake supplementary performance ourselves in accordance with clause 10 f) the limitation period shall be extended for such period until supplementary performance has been completed.

- i) If a defect has become apparent within the limitation period, the limitation period shall not commence before the expiry of 4 months from the time when the defect first became apparent.
- j) If we have handed over the goods to the supplier for supplementary performance, the limitation period for claims based on the asserted defect shall not commence before the expiry of 2 months after the date on which the repaired or replaced goods were handed over to us.
- k) All statutory rights of recourse within the supply chain shall remain unaffected

11. Liability, Recall, Insurance

- a) In the event that a claim for damages is asserted against us by our customers or by third parties, the Supplier shall indemnify us against any such claim – including legal fees - upon first demand, where and in so far as the loss was caused by a defect in the Products delivered by the Supplier and, in cases of liability with fault, if the fault is attributable to the Supplier.
- b) In accordance with clause 11 a) aforesaid the Supplier shall be liable for necessary and reasonable costs and expenses incurred due to the Product being unsafe, to include without limitation the costs of any legal prosecution or recall action; a possible contributory negligence by us has to be taken into account.
- c) Where reasonable we shall consult the Supplier as to the content and scope of any measures to be undertaken. Where we or our customers are obliged by an authority to undertake any Product monitoring the Supplier shall provide us with all information and assistance required without delay in order to avert any measures determined by the authorities. Any cost or expense thereby incurred by the Supplier shall be borne by him.
- d) The Supplier shall take out product liability insurance and provide evidence of the same where we so request.

12. Retention of Title

We are entitled to use the goods supplied without restriction during the ordinary course of business and / or to resell the same.

13. Set Off

We shall be entitled to exercise rights of set off and retention to the extent provided by law. The Supplier may only set off undisputed counterclaims or counterclaims against we have no further recourse to appeal. The Supplier shall only be entitled to rights of retention in so far as these are based on the same legal transaction.

14. Documents, Models, Samples etc., Sales Promotion, Provision of Tooling

- a) Any tooling provided to the Supplier or manufactured by him on the basis of our specification, drawings, models, samples or other documentation shall remain our property, shall be stored properly, shall be insured against damage, fire and theft, shall only be used for the manufacture of the Products in the purchase order and shall not be accessed by third parties except where we have consented to the same in writing. The Supplier shall return the tooling without delay where requested or unrequested upon completion of the purchase order. The Supplier shall not be entitled to withhold the surrender of the tools. The Supplier is not permitted to construct replicas of the models, samples, tools etc. including where the contractual relationship has ceased.
- b) Any drawings or documentation provided with the purchase order are definitive but shall be checked by the Supplier as to completeness and accuracy. The Supplier shall inform us of any errors discovered without delay in writing; failure to do so will prevent him from later invoking the defense that the error was identifiable. The Supplier shall remain solely liable for all drawings, plans and calculations, including where we have approved the same. The Supplier shall be liable for all damage resulting from misuse of the Products.
- c) The Supplier is permitted to make reference to the business relations existing with ourselves for marketing purposes provided that we have given our previous written consent thereto.
- d) We retain title to any tooling provided by us. The Supplier undertakes to clearly mark all tooling as our property. The tooling shall be stored separately at the Supplier's premises. The Supplier shall keep the tooling in a safe and operational condition by inspecting, maintaining and repairing the same, to include the replacement of parts subject to wear and tear, and carrying out the prescribed safety tests, all without charge. Any changes made to the tooling are subject to our previous written consent having been obtained and shall be documented accordingly. We shall not be liable to the Supplier in damages for any stoppage due to any tooling failure. The Supplier undertakes to insure the tooling against damage, fire and theft. We are entitled at any time to satisfy ourselves that the tooling is being properly maintained. Any defects or damage noted thereby shall be remedied within a reasonable period.

15. Burden of Proof

The Supplier undertakes upon our request to provide all requisite evidence (independent test reports, quality control, market research results etc.) which demonstrate that statements made in advertising are correct and that the Products comply with all applicable laws and regulations.

16. Non Disclosure, Protection of Clientele

During the term and after termination of this contract the parties shall not disclose to third parties or use for their own business aims without authorisation any confidential information (to include without limitation documents, samples, sketches, business intentions, personal data, problems, data and/or problem solutions, or any other know-how of any kind as well as information visually gained by the inspection of plants or facilities) received from the other party or of which the parties became aware by reason of their collaboration. The aforesaid non-disclosure obligation shall also apply in relation to the existence and content of this contract. The parties shall also impose this obligation upon their employees. We retain exclusive title to all information and all legal rights in relation thereto; The Supplier shall not be entitled to use goods manufactured to our drawings, models or such like for its own purposes or to offer or supply the same to third parties either itself or through a third party. The Supplier shall also impose this obligation upon its employees and other third parties, who have access to the confidential information and shall provide evidence of the same where requested. The duty of non-disclosure shall not apply to information which was previously known to the other party outside the contractual relationship, was lawfully acquired from a third party, is generally known or is or becomes the state of technology or has been released by us. The non-disclosure obligation shall remain in force for a period of 5 years after the expiration of this agreement. Upon the expiration of this agreement the parties shall return all confidential documents and information unrequested or destroy the same where requested to do so by the disclosing party and provide evidence thereof.

The parties shall comply with all data protection requirements, including where access is given to the other party's plant, or to its hard and software. They shall ensure that their vicarious agents shall also comply with these provisions and that they are bound not to disclose any data prior to the commencement of their work. The parties do not intend to process or use personal data on behalf of the other party. Any transfer of personal data shall occur only in exceptional circumstances as a side effect of performance of the parties contractual obligations. All personal data shall be treated by the parties in accordance with data protection laws.

The Supplier is not authorized to use information obtained during our business relations for the purpose of contacting or enlisting our customers direct.

17. Statutory Provisions, Minimum Wage Law

- a) Except where otherwise provided in these terms and conditions the German statutory regulations shall apply without restriction. In particular, we do not accept any limitation of liability of the Supplier.
- b) The Supplier is obliged to comply with all the obligations resulting out of the minimum wage law (Mindestlohngesetz). Furthermore, the Supplier is obliged to use only those sub-suppliers, which have committed themselves towards him to comply with all the obligations resulting out of the minimum wage law. The Supplier is obliged to provide us, on our request, with proof about the compliance with the minimum wage law. The Supplier is obliged to indemnify us from any claims and costs resulting out of claims according to § 13 Mindestlohngesetz due to the non-payment of minimum wage to own employees of the Supplier or employees of sub-suppliers. In case of any violation of the obligations resulting out of the minimum wage law by the Supplier, we are in addition entitled to terminate the contract for cause and without notice.

18. Place of Performance, Jurisdiction, Applicable Law

- a) The place of performance shall be our registered office;
- b) All disputes arising out of these terms and conditions shall be resolved before the courts in Attendorn, Germany. We reserve the right to sue the Supplier at its principle place of business.
- c) All orders, supplies and performance of works shall be exclusively governed by German Law.

19. International Contract

If the Supplier's registered office is located outside of Germany, the UN Convention on Contracts for the International Sale of Goods applies with the following special provisions: The Supplier is liable for any culpable breach of contract including for unforeseeable damage in the case of conclusion of the contract. In the event of delivery of goods, which are in breach of the contract, we may demand a replacement from the Supplier, where there exists a material breach of contract, i.e. where the goods are manufactured or distributed solely by the Supplier or where it is unreasonable for us for any other reason to acquire the goods from a third party. In the event of delivery of goods, which are in breach of the contract, we may cancel the contract, where there exists a material breach of contract, i.e. where the damage is difficult or impossible to estimate, an occurrence of non-material damage has been caused, the claim for compensation in damages is excluded by virtue of Article 79 of the UN Convention on Contracts for the International Sale of Goods, in the case of continuing debt obligations, confidence in the Supplier being lost in the long term or where the infringement of the contract by the goods reaches an extent such that the sale of the goods in the normal course of business is no longer possible.

20. Partial Invalidity

In the event that individual terms of these standard terms and conditions are invalid in whole or in part, this shall not affect the validity of the remaining provisions. The invalid provision shall be replaced by a provision which corresponds as closely as legally possible to the original commercial intention of the invalid clause.

21. Prevailing German Version

The English version of these General Terms and Conditions of Purchase is only made available for support purposes, and the German version shall always prevail and be exclusively binding for the interpretation.

Dated January 2022