



§ 1 Applicability

Our purchase of supplies and services from merchants (Suppliers) is exclusively subject to the following Terms and Conditions of Purchase, regardless of what type of procurement contract is involved.

No account will be taken of the Supplier's standard terms of trading except where individual conditions are explicitly accepted by us in writing. This also applies to cases where we accept supplies or services without reservation.

§ 2 Orders

Only orders placed in writing are legally binding. Our specifications as to type, quantity, and delivery date are binding on the Supplier.

The Supplier shall promptly review the order for discernible errors, ambiguities, and incompleteness, and as to whether the specifications chosen by us are unsuitable for the intended purpose. The Supplier shall promptly inform us of necessary changes or clarifications of the order.

The Supplier shall ensure it is aware of all the data and circumstances of importance to the performance of the contract and that our work standards, drawings, and other manufacturing requirements are complied with.

Should our order not have been preceded by a quotation from the Supplier, the Supplier must acknowledge the said order within ten working days of its receipt, otherwise we are no longer bound by our order.

§ 3 Scheduled Dates, Default

The Supplier must notify us without delay if it finds itself unable to meet a scheduled date, giving the reasons for the delay and its anticipated duration.

If we have granted the Supplier a reasonable period of extension for its supplies or services and the Supplier fails to meet the rescheduled date, we will be entitled to rescind the contract. Even if the Supplier defaults on part of the supply or service only, this applies to the entire supply or service, if a merely partial timely fulfilment of the contract is of no interest to us. In case of culpable delay the Supplier must also reimburse us for all damage or losses incurred as a result of such default.

§ 4 Transportation, Packaging

Ordered goods are to be delivered free destination as specified by us, with delivery note. Transport risks and insurance of the consignment shall be for the Supplier's account. Cross-border deliveries to us must be made subject to the trading term "DAP destination in accordance with our order" (INCOTERMS® 2020 of the International Chamber of Commerce (ICC) in Paris). At our request the Supplier is to promptly provide us with all the necessary information to ensure a proper and orderly export and import process, such as statistical item numbers and certificates of origin, and must submit the appropriate documentation before or at the latest together with the delivery in question.

Our order number in respect of the deliverables is to be quoted on all shipping documents.

At our request, the Supplier is obliged to take back packaging material at its own expense.

§ 5 Partial Supplies and Services

We are not obliged to accept partial supplies or partial services that are not specified in our order.

§ 6 Inspection and Acceptance

We inspect goods on delivery and submit any complaints without delay. To this end, however, we require a period of at least 5 working days from arrival of such goods. Our obligation is confined to inspection for detectable defects and, if feasible within the due course of business, the performance of random checks.

We are entitled to refuse the acceptance of defective supplies or services. This applies to the entire supply or service, even if only parts of these are defective, if partial acceptance is of no interest to us. The Supplier must reimburse us

for any expenses we incur as a result of the inspection of defective supplies or services and their return.

The utilisation or commissioning of, down-payment against or payment for a delivered work (in particular software) constitutes neither approval nor tacit acceptance. Partial payments will only be made under the reservation of our acceptance of the good or service as a whole, without the need for further annotation to this effect on bank transfer documentation.

§ 7 Warranty

The legal definition of defects shall apply to all supplies or services.

The statutory provisions on warranty and warranty expiration periods shall apply.

We are entitled to the aforementioned warranty rights in respect of the entire supply or service in question, even if only part of the same is defective, if only partially defect-free fulfilment of the respective contract is of no interest to us.

§ 8 Liability

The Supplier must provide compensation for any and all damage or losses resulting from negligence or deliberate action on its part.

The Supplier must indemnify us against any product liability claims asserted against us by third parties with respect to defects in the items it has delivered. This shall not in any way affect the Supplier's right to take recourse against us for our verifiable contributory fault or our verifiable contributory causation.

The Supplier warrants that its supplies and services conform to all relevant statutory requirements in effect in the Federal Republic of Germany at the time of delivery.

§ 9 Provision of Materials

We retain ownership to any parts we might provide to the Supplier. Any processing or modification of such parts by the Supplier will be performed for us as manufacturer.

§ 10 Reservations

In the event of unforeseeable interruption of operations due to force majeure (e.g. acts of God, epidemics, war, riots or the results thereof), strikes or raw material shortages following conclusion of the contract, we will be entitled to postpone scheduled dates that are binding on the Supplier by up to six months.

Should the aforementioned interruption of operations not be merely temporary, we will be entitled to rescind the contract in question.

We will also be entitled to rescind work contracts, business services contracts, and service contracts at any time before completion of the supply or service if we pay the Supplier for the activities performed up to such time of rescission, including the related pro-rata imputed profit.

§ 11 Rights of Use and Third-Party Rights

With regard to all results that are originated during the execution of the contract, we obtain a transferable, sublicensable, irrevocable and unrestricted exclusive right to use, further develop and exploit in any form.

All supplies and services must be provided free of third-party rights. The Supplier must ensure that third parties cannot prevent our contractual use of the supplies and services. Should the supplies and services in question not be free of third-party rights or if our contractual use of such supplies and services is prevented (e.g. by means of a temporary injunction), the Supplier must compensate us for any and all resulting damage or losses.

§ 12 Confidentiality, naming of references

All information, documents and data that we make available to the Supplier, as well as all knowledge it might gain in connection with the supply or service regarding our products, customers and business activities, is to be treated as strictly confidential and may not be disclosed or made available to third parties. At our request,

the Supplier must return to us such information, documents and data if no longer required for completion of the order concerned, and the Supplier shall have no right of retention in this respect. The obligation to observe confidentiality shall not apply to information, documents and data that are or become common knowledge without the fault of the Supplier or that are already known to the Supplier at the time of receipt of the order. The obligations regarding confidentiality shall survive any termination of this Agreement, unless the information is no longer confidential in nature.

Without our express approval in writing, the supplier is forbidden from referring to Papierfabrik Louisenthal GmbH (PL) in any form of advertising or naming of references.

§ 13 Spare Parts, Notification of the Discontinuation of a Product

In the case of supplies, the Supplier must keep a stock of spare parts, including wearing parts, for five years after delivery. The Supplier may also meet the obligation to keep a stock of spare parts by ensuring the availability on the market of spare parts of equivalent quality and at the same prices for the duration of the aforementioned period.

As long as the Supplier sustains a business relationship with us or performs development work for us, it must notify us in writing of any planned discontinuation of individual supplies or services, in particular the discontinuation of production of goods or spare parts. Following such notification the Supplier must provide for continued supply or service at a reasonable price for the duration of a reasonable winding-up period, however, for no less than 12 months.

§ 14 Remuneration, Terms of Payment

All prices are to be expressed as free domicile, packaged and insured. Cross-border deliveries to us must be made subject to the trade term "DAP destination in accordance with our order" (see § 5). Also included in the aforementioned prices is the remuneration for fitting, installation and erection work, instruction of users, operating manuals and circuit diagrams as well as royalties for software and industrial property rights. Statutory value-added tax is to be stated separately.

The price stated in the order is binding, and subsequent price increases shall not be effective.

Invoices quoting our order number are to be sent to us following receipt of the consignment or acceptance of the service in question. Payment thereof will follow at our option either within 14 days with 2% cash discount or within 30 days without cash discount after receipt of invoice. Interest on late payments will only be accepted in cases where culpable delay can be attributed to us.

Partial invoices, pledging or assignment of goods on the part of the Supplier are not admissible.

We are entitled to offset other claims arising from the business relationship against payment claims on the part of the Supplier or to exercise a lien in respect of such other claims.

§ 15 Compliance

The Supplier shall keep itself informed about and shall observe the PL Code of Conduct. PL's Code of Conduct is available at www.louisenthal.com.

§ 16 Jurisdiction and Governing Law

Contrary or supplementary provisions, side agreements, and amendments shall only apply if agreed upon in writing. Written form does not include the use of e-mail.

All supplies and services are subject to the laws of the Federal Republic of Germany, excluding the UN Convention on Contracts for the International Sale of Goods (CISG). English shall be the language of convenience. These Terms and Conditions of Purchase are to be construed under German law, paying regard to the use of English only as the language of convenience, without recourse to any other law. The exclusive place of jurisdiction is Munich.