

General Terms and Conditions of Purchase

mdexx holding GmbH | Mdexx fan systems GmbH | mdexx Magnetronic Devices

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Hereinafter referred to as **mdexx**

§ 1 General

(1) The Terms and Conditions of Purchase of mdexx shall apply exclusively; conflicting terms and conditions of the supplier or terms and conditions of the supplier deviating from these Terms and Conditions of Purchase shall not be recognized unless express written consent to their validity is given. These General Terms and Conditions of Purchase shall also apply if the delivery is accepted without reservation or payments are made in the knowledge that the supplier's terms and conditions conflict with or deviate from these Terms and Conditions of Purchase. These General Terms and Conditions of Purchase shall apply to all present and future orders for deliveries and other services.

(2) All agreements made between mdexx and the supplier for the purpose of executing this contract shall be set forth in writing in this contract. Orders placed orally or by telephone therefore require subsequent written confirmation by mdexx to be legally valid in order to avoid a prima facie case of acquiescence. Orders, delivery schedules as well as their changes and supplements can also be made electronically or by remote data transmission or by machine-readable data carriers.

(3) These General Terms and Conditions of Purchase shall apply only to entrepreneurs pursuant to § 310 (1) of the German Civil Code (BGB).

§ 2 Conclusion of Contract

(1) The supplier is obliged to accept the order within a period of 2 weeks by observing the written form (order confirmation). Confirmations of the supplier received later or deviating from the order shall be considered a new offer and require written acceptance by mdexx for a conclusion of the contract. Changes or additions to the order after conclusion of the contract shall only be effective if they are confirmed in writing by the supplier.

(2) mdexx reserves the property rights and copyrights to forms, samples, models, profiles, drawings, standard sheets, printing templates, gauges, illustrations, calculations and other documents; these may not be made accessible to third parties without the express written consent of mdexx. They are to be used exclusively for the production based on this order; after completion of the order they are to be returned without request. They are to be kept secret from third parties; in this respect the provision of § 9 section 5 shall apply additionally.

(3) The transfer of orders to third parties is not permitted without the written consent of mdexx and entitles mdexx to withdraw from the contract in whole or in part and to claim damages.

§ 3 Prices - Terms of Payment

(1) The price stated in the order shall be binding. In the absence of a written agreement to the contrary, the price includes delivery "free domicile" to the specified shipping address or place of use, including packaging and transport. The mode of transport can be unilaterally specified by mdexx in the order. In case of pricing ex works or ex sales warehouse of the supplier, shipment is to be made at the lowest cost in each case, as far as mdexx has not specified a certain mode of transport. Additional costs due to non-compliance with shipping instructions shall be borne by the supplier. In case of pricing free recipient, mdexx can also determine the mode of transport. Additional costs for an accelerated transport, which may be necessary to meet a delivery date, are to be borne by the supplier.

(2) The statutory value added tax is included in the price.

(3) Invoices shall only be processed if they indicate - in accordance with the specifications in the order - the order identification shown therein as well as the numbers of each individual item; the Supplier shall be responsible for all consequences arising from non-compliance with this obligation, unless it proves that it is not responsible for them.

(4) Unless otherwise agreed in writing, the purchase price shall be due for payment within 14 days with a 3% discount or within 30 days with a 2% discount, in each case calculated from the date of complete delivery, possibly provision of an agreed certificate of material tests and proper receipt of the invoice. Discount deduction shall also be permissible if the Purchaser offsets or withholds payments in an appropriate amount due to defects; the payment period shall commence after complete elimination of the defects.

(5) mdexx shall be entitled to rights of set-off and retention to the extent permitted by law.

(6) The assignment of claims against mdexx is only permissible with the written consent of mdexx.

(7) The fulfillment of the contract on the part of mdexx is subject to the proviso that no obstacles due to national or international regulations of foreign trade law as well as no embargos and/or other sanctions stand in the way of the fulfillment.

§ 4 Delivery time - performance time

(1) The delivery time stated in the order is binding. The timeliness of deliveries or supplementary performance shall be determined by the date of receipt at the place of receipt specified by mdexx, the timeliness of deliveries with installation or assembly as well as of services shall be determined by their acceptance. Insofar as the supplier has to provide material tests, test reports, quality documents or other documents, the completeness of the delivery and service also presupposes the receipt of these documents.

(2) In case of recognizable delay of a delivery or service or subsequent performance, mdexx shall be notified immediately and its decision shall be obtained.

(3) If the supplier is in default, mdexx is entitled to charge a contractual penalty in the amount of 0.5% for each commenced working day of delay, but not more than 10% of the total contract amount. Further legal claims (withdrawal and damages instead of performance) remain reserved. The Supplier shall be entitled to prove to the Purchaser that it is not responsible for the breach of duty. The supplier can only refer to the absence of necessary documents to be delivered by mdexx if he has sent a written reminder for the documents and has not received them within a reasonable period of time.

(4) If the corresponding reservation is omitted upon acceptance of the deliveries, services or supplementary performance, the contractual penalty can nevertheless be asserted up to the final payment.

(5) If the supplier discontinues his services, if a preliminary insolvency administrator is appointed or if insolvency proceedings are opened against the assets of the supplier, mdexx shall be entitled to withdraw from the contract in whole or in part or to terminate the contract. In this case, mdexx can make use of the equipment available for the continuation of the work or deliveries and services of the supplier made so far against reasonable compensation.

(6) Cases of force majeure (unforeseen circumstances and events for which no one is responsible and which could not have been avoided even with the diligence of a prudent businessman, such as war, danger of war, riots, use of force by third parties against persons and property, sovereign interventions, labor disputes, fire, interruptions of the intended transport connections as well as shortage of raw materials and energy), which make acceptance or receipt impossible, entitle mdexx to cancel the contract. mdexx shall be entitled to postpone the acceptance or receipt accordingly and shall exclude default of acceptance. If the impediment lasts longer than three months, the supplier is entitled to withdraw from the contract with regard to the part not yet fulfilled after setting a reasonable grace period.

§ 5 Transfer of risk - documents

(1) Unless otherwise agreed in writing, delivery shall be made free domicile to the specified shipping address or place of use. For deliveries with installation or assembly and for services, the risk shall pass upon acceptance, for deliveries without installation or assembly upon receipt at the place of receipt specified by mdexx.

(2) Each delivery shall be accompanied by delivery bills with detailed information on the contents as well as complete order identification. Shipment shall be notified immediately with the same information. As long as these details are missing or incomplete, the goods shall be stored at mdexx at the supplier's expense and risk and mdexx shall not be responsible for the resulting delays in processing.

(3) The supplier is liable for the environmental compatibility of the delivered products and packaging materials and for all consequential damages resulting from the violation of the legal disposal obligations. The supplier is obligated to hand over the respective safety data sheets applicable to the delivery with the delivery. The supplier shall indemnify mdexx against all recourse claims of third parties in the event that the supplier culpably fails to deliver the safety data sheets, or delivers them late or incorrectly.

(4) The supplier shall comply with all requirements of the applicable national and international customs and foreign trade law ("Foreign Trade Law"). The supplier shall notify mdexx in writing, no later than two weeks after the order and without

delay in the event of changes, of all information and data that mdexx requires to comply with the Foreign Trade and Payments Law for export, import and re-export, in particular:

- (a) all applicable export list numbers including the Export Control Classification Number according to the U.S. Commerce Control List (ECCN);
 - (b) commodity statistical number according to the current commodity classification of foreign trade statistics and the HS (Harmonized System) code; and
 - (c) country of origin (non-preferential origin) and, if requested by mdexx, supplier declarations on preferential origin (for European suppliers) or certificates on preference (for non-European suppliers).
- (5) If the supplier violates his obligations according to § 5 section 4, he shall bear all expenses and damages incurred by mdexx as a result, unless the supplier is not responsible for the violation of obligations.

§ 6 Examination for Defects – Liability for Defects

(1) In addition to the factual and legal defect-free delivery, the supplier guarantees that all deliveries and services comply with the latest state of the art, the relevant legal provisions and the regulations and guidelines of authorities, professional associations and trade associations.

(2) Mdexx is obligated to check within a reasonable period of time whether the goods correspond to the ordered quantity and type, whether externally recognizable transport damages or externally recognizable defects are present.

The notice of defect is timely if it is received by the supplier within a period of 5 working days, calculated from complete delivery or, in case of hidden defects, from discovery. Mdexx shall not have any further obligations towards the supplier other than the aforementioned inspection and notification obligations.

(3) mdexx shall be entitled to the statutory claims for defects in full; in any case mdexx shall be entitled before or at the time of transfer of risk as well as during the period of limitation mentioned in section 5 and 6 to demand from the supplier, at its option, remedy of the defect or delivery of a new item. This also applies to deliveries for which the inspection was limited to random samples. The right to claim damages, in particular damages in lieu of performance or reduction, is expressly reserved. In addition to the statutory warranty rights, mdexx shall additionally be entitled to withdraw from the contract in whole or in part without compensation if subsequent performance is not rendered or fails.

(4) Rectifications can be carried out without setting a deadline at the supplier's expense if delivery is made after the occurrence of the delay. The same shall apply if mdexx has a special interest in immediate subsequent performance due to the avoidance of its own delay or other urgency and a request to the supplier to remedy the defect within a reasonable period is not reasonable for mdexx. Mdexx shall be entitled to remedy the defect itself at the supplier's expense if the supplier is in default with the subsequent performance.

(5) The limitation period is 36 months, calculated from the transfer of risk (§ 5 section 1), unless the mandatory provisions of §§ 478, 479 BGB (German Civil Code) intervene or a longer limitation period is granted by law. In case of deliveries to places where mdexx executes orders outside of its plants or workshops, it shall begin with the acceptance by the customer of mdexx, at the latest one year after the transfer of risk. As far as the supplier delivers new parts or repairs within the scope of his obligation to remedy defects, the limitation period starts again from the beginning.

(6) For delivery parts which could not remain in operation during the investigation of a defect and/or the rectification of the defect, the period of limitation shall be extended by the time of the interruption of operation. In the event of a necessary rectification, the Supplier shall be obliged, upon request, to carry out the rectification work outside working hours without being able to claim any special compensation for this.

(7) The Supplier shall bear the costs and risk of returning defective delivery items.

(8) In the event of a purchase of consumer goods, the provisions of §§ 478, 479 BGB shall remain unaffected.

§ 7 Product Liability – Indemnification – Liability Insurance Coverage

(1) Insofar as the supplier is responsible for product damage, he shall be obligated to indemnify mdexx against claims for damages by third parties upon first request, insofar as the cause lies within his sphere of control and organization and he himself is liable in the external relationship. The supplier shall mark all delivered items in such a way that they are permanently recognizable as his products.

(2) Within the scope of his own liability for cases of damage within the meaning of subsection (1), the supplier shall also be obligated to reimburse mdexx for any expenses pursuant to §§ 683, 670 BGB (German Civil Code) or pursuant to §§ 830, 840, 426 BGB (German Civil Code), which result from or in connection with a recall action lawfully carried out by mdexx. The supplier shall be informed in advance about the content and scope of such a recall measure – as far as possible and reasonable – and given the opportunity to comment.

(3) The supplier undertakes to maintain a product liability insurance, which also includes the costs of a possible recall action, with a lump sum coverage of € 10 million per personal injury/property damage; if mdexx is entitled to further claims for damages, these shall remain unaffected.

(4) The supplier shall carry out quality assurance of a suitable type and scope and in accordance with the latest state of the art and shall provide evidence thereof upon request. A corresponding quality assurance agreement shall be concluded upon request.

(5) The supplier shall be obliged to properly dispose of all accumulating materials, e.g. packaging, chemicals, etc., at its own expense or to recycle/reuse them and to provide corresponding evidence thereof. In the event of culpable violations of this obligation, the supplier shall indemnify mdexx from all claims and legal disadvantages in the event that claims are made against mdexx.

§ 8 Rights of use and property rights

(1) The supplier grants mdexx the non-exclusive, transferable, worldwide and unlimited right,

(a) to use the supplies and services, to integrate them into other products and to distribute them worldwide;

(b) to use or cause to be used software and related documentation (together hereinafter referred to as "Software") in connection with the installation, commissioning, testing and operation of the Software;

(c) to sublicense the right of use pursuant to Section 8 (1) (b) to affiliated companies within the meaning of Section 15 of the German Stock Corporation Act (AktG), other distributors and to end customers;

(d) to license the right to grant the right of use pursuant to § 8 (1) (b) to affiliated companies within the meaning of § 15 AktG and other distributors to end customers;

(e) to use and copy the Software for integration into other products or to have affiliated companies within the meaning of § 15 AktG or other distributors use and copy the Software;

(f) to distribute, sell, rent, lease, make available for download or make publicly available the Software, e.g. by way of application service providing or other types of use, and to copy the Software to the extent necessary for this purpose, provided that the number of licenses used at any one time does not exceed the number of licenses purchased;

(g) to sublicense the right of use pursuant to § 8 (1) (f) to affiliated companies within the meaning of § 15 of the German Stock Corporation Act (AktG) and other distributors.

(2) Mdexx, affiliated companies within the meaning of § 15 AktG and other distributors are authorized, in addition to the right granted in paragraph 1, to allow end customers to transfer the Software licenses.

(3) All sublicenses granted by mdexx must provide adequate protection for the intellectual property of the Supplier in the Software by using the same contractual provisions that mdexx uses to protect its own intellectual property.

(4) The supplier is obligated to inform mdexx in due time, at the latest with the order confirmation, whether his deliveries and services contain "Open Source Software". "Open Source Software" in the sense of this regulation is software whose transfer to third parties is basically free of license fees and which may be edited by any user and/or must be disclosed to licensees or third parties in source code form.

(5) If the deliveries and services of the supplier contain open source software, the supplier shall provide mdexx with the following at the latest upon order confirmation:

(a) Source code of the open source software used, insofar as the applicable open source license conditions require the disclosure of this source code.

(b) Listing of all Open Source files used with a reference to the respective applicable license as well as a copy of the complete license text

(c) Written declaration that by using Open Source Software as intended neither the Supplies and Services of the Supplier nor the products of the Purchaser are subject to a "copyleft effect", where "copyleft effect" in the sense of this provision means that the Open Source License Terms require that certain Supplies and Services of the Supplier as well as works derived therefrom may only be redistributed under the terms of the Open Source License Terms, e.g. by disclosing the source code.

(d) If the supplier only points out after receipt of the order that his deliveries and services contain Open Source Software, then mdexx shall be entitled to revoke the order within 14 days after receipt of the notification and transmission of all information listed in the above paragraph.

(6) The supplier assures or guarantees that in connection with his delivery no obligatory, real, intellectual property or other rights of third parties within the Federal Republic of Germany or within the countries in which the products are or have been manufactured are violated. Mdexx is not obligated to check whether such rights of third parties exist in the goods or whether such rights are infringed, but is entitled to assume that the supplier is entitled to all those rights which are necessary for the proper fulfillment of the order vis-à-vis third parties. The supplier shall fully indemnify and hold mdexx harmless from any third party claims in this regard.

- (7) In such a case, Mdexx shall also be entitled to obtain the necessary permission from the owner of the right at the supplier's expense if and to the extent that such permission is not obtained by the supplier within a reasonable period of time set by mdexx. If a permit cannot be acquired, the supplier shall ensure that the new delivery of an equivalent purchased item or the modification of the relevant parts no longer impairs the property right.
- (8) Notwithstanding further rights, mdexx shall be entitled in such a case to withdraw from the contract or to refuse acceptance of the goods until the justification of the asserted claims has been clarified, to make goods already accepted available to the supplier again at the supplier's expense and to withhold payment of the entire purchase price.
- (9) The supplier's indemnification obligation refers to all expenses necessarily incurred by mdexx from or in connection with the claim by a third party, including the costs of legal advice and representation.
- (10) The limitation period is 36 months, calculated from the transfer of risk.

§ 9 Retention of Title – Provision – Tools – Secrecy – Code of Conduct

- (1) If mdexx provides parts or materials to the supplier, mdexx reserves the right of ownership. The materials provided are to be stored, marked and managed separately by the supplier free of charge. In case of culpable reduction in value or loss, the supplier shall provide compensation, whereby the supplier shall also be responsible for simple negligence. This shall also apply to the invoiced surrender of order-related material.
- (2) Processing or transformation by the supplier shall be carried out exclusively for mdexx. Mdexx shall become the direct owner of the new or transformed object.
- (3) mdexx retains ownership of tools; the supplier is further obligated to use the tools exclusively for the production of the goods ordered by mdexx. The supplier is obligated to insure the tools belonging to mdexx at replacement value at his own expense against damage by fire, water and theft. At the same time, the supplier already now assigns all claims for compensation from this insurance to mdexx; mdexx hereby accepts the assignment. The supplier is obligated to perform any necessary maintenance and inspection work on the tools of mdexx as well as all maintenance and repair work at his own expense in due time. He shall report any malfunctions immediately; if he culpably fails to do so, claims for damages shall remain unaffected.
- (4) Insofar as the security interests to which mdexx is entitled pursuant to Paragraph (1) and/or Paragraph (2) exceed the purchase price of all goods subject to retention of title not yet paid for by more than 10%, mdexx shall be obligated to release the security interests at its own discretion at the supplier's request.
- (5) The supplier is obligated to keep all received molds, samples, models, profiles, drawings, standard sheets, printing templates, gauges, illustrations, calculations and other documents and information strictly confidential. They may only be disclosed to third parties with the express consent of mdexx. The obligation to maintain secrecy shall also apply after completion of this contract. It expires, however, if and insofar as the production knowledge contained in the provided forms, samples, models, profiles, drawings, standard sheets, printing templates, gauges, illustrations, calculations, and other documents has become generally known or was demonstrably already known to the supplier at the time of the notification in the sense of sentence 1.
- (6) The Supplier shall comply with the laws of the applicable legal system(s). In particular, he shall neither actively nor passively, directly or indirectly participate in any form of bribery, violation of the fundamental rights of his employees or child labor. Furthermore, he will assume responsibility for the health and safety of his employees in the workplace, observe environmental protection laws and promote and demand compliance with this Code of Conduct from his suppliers to the best of his ability.
- (7) If the supplier culpably violates these obligations, mdexx shall be entitled to withdraw from the contract or terminate the contract without prejudice to further claims. If the elimination of the breach of duty is possible, this right may only be exercised after the fruitless expiration of a reasonable period for the elimination of the breach of duty.

§ 10 Place of Jurisdiction – Place of Performance

- (1) If the supplier is a merchant, the place of jurisdiction is the registered office of mdexx; however, mdexx is also entitled to sue the supplier at his place of business.
- (2) The law of the Federal Republic of Germany shall apply. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.
- (3) Unless otherwise stated in the order, the place of performance shall be the place of business of mdexx.

Please note that only the German text of these General Terms and Conditions of Purchase is legally binding for the contractual relationship. The English version is merely for the purpose of information.
