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## **GENERAL TERMS AND CONDITIONS OF PURCHASE**

#### Scope, form

- 1.1 These General Terms and Conditions of Purchase (GTCP) shall apply to all business relationships between AMK and the seller ("Supplier") of products or services ("Goods"), irrespective of whether the Supplier if the Goods are movable goods manufactures them itself or purchases them from suppliers (Sections 433, 650 of the German Civil Code (Bürgerliches Gesetzbuch, BGB)).
- 1.2 Deviating, conflicting or supplementary general terms and conditions on the part of the Supplier shall only become part of the contract if and to the extent that AMK has expressly consented in writing to their validity. This requirement for consent also applies if, for example, the Supplier refers to its GTC within the order confirmation and AMK does not expressly object to them. Furthermore, silence on AMK's part in respect of order confirmations with contradictory content is not to be deemed to be agreement, nor is the unconditional acceptance of services from the Supplier by AMK with knowledge of conflicting conditions or conditions on the part of the Supplier that deviate from these General Terms and Conditions of Purchase. Delivery by the Supplier shall be deemed to be acceptance of these General Terms and Conditions of Purchase.
- 1.3 Unless otherwise agreed, the GTCP in the version valid on the date of the order shall also apply as a framework agreement for similar future contracts, without AMK having to refer to them again in each individual case.

## 2. Order placement

- 2.1 Orders may be placed by means of purchase orders or delivery schedules (from quantity contracts or delivery schedules with a fixed term) by AMK (hereinafter collectively referred to as "Orders").
- 2.2 Orders placed by AMK must be in writing (including orders placed by email); orders placed verbally shall only become effective upon written confirmation by AMK. Orders from AMK do not require a signature to be effective.
- 2.3 When an order is placed on the basis of an offer from the Supplier, the respective contract is concluded and the Supplier is obliged to deliver within the stated delivery periods according to what has been agreed. The Supplier shall confirm AMK's order by way of declaration within three working days, stating the order details. Delivery schedules do not require confirmation.
- 2.4 The Supplier shall point out any obvious errors (e.g. spelling and calculation errors) and incomplete information in the order, including the order documents, for the purpose of correction prior to acceptance; otherwise, the contract shall be deemed to be concluded with the content that can be reasonably assumed. The Supplier shall expressly point out any deviations in its order confirmation compared to the order.

## 3. Delivery dates

- **3.1** The delivery times stated in AMK's order are binding and must be observed by the Supplier.
- 3.2 The Supplier must notify AMK in writing of any foreseeable delivery delays immediately after they become known. The Supplier's obligation to meet the originally agreed deadlines shall remain unaffected.
- 3.3 If the Supplier does not provide its service, does not do so within the agreed delivery time or is otherwise in default, AMK's rights to withdraw from the contract and to claim damages in particular shall be determined in accordance with the statutory provisions. The provisions of section 3.4 shall remain unaffected.
- 3.4 If the Supplier is in default, AMK is entitled to charge a contractual penalty of 0.25% of the net price of the delivery concerned for each day of the delay in delivery, but of no more than 5% of the value of the delivery concerned. AMK is entitled to assert further claims and rights. The contractual penalty shall be offset against any claims for damages.

## 4. Shipping and transport risk

- 4.1 The Supplier is not entitled to have the service owed by it performed by third parties (e.g. subcontractors) without AMK's prior written consent. The Supplier shall bear the procurement risk for its services, unless otherwise agreed in individual cases (e.g. limitation to own stock).
- 4.2 Delivery shall be made in accordance with DAP [named place] INCOTERMS 2020 to the place specified in the order. If the place of destination is not specified or nothing else has been agreed, the delivery shall be made to the production site specified in the order. The respective place of destination is also the place of performance for the delivery.
- 4.3 Claims by AMK shall also include the expenses incurred for the purpose of cure (Nacherfüllung), in particular transport, travel, labor and material costs, to the extent that the expenses increase because the Goods delivered by the Supplier were subsequently transported to a place other than the place of performance, unless such transport does not correspond to their intended use.
- 4.4 Delivery shall be made in suitable reusable packaging, unless otherwise agreed. The use of disposable packaging is only permitted by corresponding agreement with AMK (Logistics) and requires written confirmation (e.g. email). Unless otherwise agreed, the Supplier shall deliver to AMK free of freight charges, duties and packaging charges. AMK reserves the right to choose a specific shipping method or to name the carrier or freight forwarder. Costs for transport insurance and other insurance will be borne by AMK only by corresponding agreement.
- **4.5** Additional costs for expedited shipping that is necessary to meet the delivery deadline shall be borne by the Supplier.
- 4.6 The delivery shall be accompanied by a delivery note stating the date (issue and dispatch), content of the delivery (article number and quantity) and AMK's order identifier (date and number), as

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well as any other documents agreed with AMK (Logistics department). If the delivery note is missing or incomplete or if other agreed documents are missing, AMK shall not be responsible for any resulting delays in processing and payment. Separate from the delivery note, a corresponding dispatch note with the same content must be sent to AMK.

- 4.7 The risk of accidental loss and accidental deterioration of the items shall pass to AMK upon handover at the place of performance. If acceptance has been agreed, this shall be decisive for the transfer of risk. The statutory provisions of the law on contracts for work and services shall also apply accordingly in all other respects in the event of acceptance. Handover and acceptance shall be deemed to be equivalent if AMK is in default of acceptance.
- 4.8 The statutory provisions shall apply for the occurrence of default of acceptance by AMK. However, the Supplier must also expressly offer its services to AMK if a defined or definable calendar date has been agreed for action or cooperation by AMK (e.g. provision of material). If AMK is in default of acceptance, the Supplier may demand compensation for its additional expenses in accordance with the statutory provisions (Section 304 BGB). If the contract concerns an unwarrantable item to be manufactured by the Supplier (custom production), the Supplier shall only be entitled to further rights if AMK undertakes to cooperate and is responsible for the failure to cooperate.
- 4.9 In the event of under-delivery or over-delivery, AMK reserves the right to claim the following costs as a lump sum, unless the Supplier is not responsible for the under-delivery or overdelivery:
  - EUR 60.00 for the inspection of the delivery,
  - EUR 30.00 per day for storage of excess parts that have been delivered.
- 4.10 AMK reserves the right to claim further damages. The Supplier's obligation to pay lump-sum compensation does not apply if it proves that AMK has suffered lesser damage.

## 5. Prices, payments

- 5.1 The price specified in the order is binding. Price increases, in particular also for prices agreed within the scope of continuing obligations, are subject to contractual agreement. All prices are exclusive of statutory value added tax.
- 5.2 Unless otherwise agreed in individual cases, the price shall include all services and ancillary services by the Supplier (e.g. assembly, installation) as well as all additional costs (e.g. proper packaging, transport costs including any transport insurance and liability insurance).
- 5.3 Supplier shall provide AMK with a cost breakdown in accordance with the provisions of the AMK inquiry process and the deadlines provided therein. The costs of transport and packaging must be shown separately.
- 5.4 The agreed price shall be due for payment within 30 calendar days of complete delivery and performance (including any agreed acceptance) and receipt of a proper invoice. If payment is made within 14 days, the Supplier grants a 3% discount on the net amount of the invoice. Payment of the invoice by AMK does not constitute acknowledgment that the Goods are free of defects.
- 5.5 In the case of bank transfer, payment is deemed to have been made on time if the transfer order is received by AMK's bank

- before the payment deadline has passed; AMK is not responsible for any delays caused by the banks involved in the payment process. AMK shall not owe any default interest. The statutory provisions shall apply for payment default.
- 5.6 AMK shall be entitled to rights of set-off and retention as well as the defense of non-performance of the contract to the extent provided by law. In particular, AMK is entitled to withhold due payments as long as AMK is still entitled to claims against the Supplier on the grounds of incomplete or defective services. In this case, the option to make payment with a 3% discount is extended by the period of retention.
- 5.7 The Supplier shall only have a right of set-off or retention on the basis of counterclaims that have been legally established or are undisputed.
- **5.8** If AMK accepts early deliveries, the payment period begins at the earliest on the agreed delivery date.
- 5.9 Advance payments made by AMK are to be secured by the Supplier by means of directly enforceable unlimited bank guarantee.

#### 6. Quality

- 6.1 The Supplier warrants that the items and services to be delivered comply with the specifications, samples and drawings approved by AMK, the applicable standards and all statutory and official regulations. The same applies for the performance data and other properties contained in the Supplier's order confirmation.
- **6.2** Insofar as AMK provides the Supplier with plans, drawings, material or accessories, the Supplier is obliged to check these in respect of completeness, correctness and suitability for the intended purpose.
- 6.3 The Supplier shall align the quality of its products with the latest state of the art and advise AMK of improvements and technical optimizations.
- 6.4 The Supplier shall install and maintain a state-of-the-art quality management system. It shall keep records, in particular with regard to quality inspections, and make these available to AMK upon request.
- 6.5 The Supplier shall send AMK a set of the Goods for the purpose of initial sampling before the first delivery commences. If inspection of the sample parts by AMK reveals a deviation from the agreed quality, so that a new initial sample inspection must be carried out before AMK commences serial delivery to the customer, the Supplier without prejudice to any of AMK's other rights shall be obliged to compensate AMK for the additional expenditure associated with the inspection, unless the Supplier is not responsible for the deviation in quality.
- 6.6 AMK may request changes to the design and execution of the delivery item within the bounds of what is reasonable for the Supplier. The Supplier shall support these changes as part of the AMK change management process. Within this context, the effects thereof in particular with regard to additional or reduced costs, as well as delivery dates shall be managed appropriately by mutual agreement.
- **6.7** The Supplier is obliged to present product and process improvements to AMK as part of its optimization processes.
- **6.8** AMK is entitled to conduct audits, of which the content is determined by AMK, at the Supplier's premises and those of its own suppliers, subject to prior agreement with the Supplier as

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regards the time period. The Supplier shall place under its own suppliers under a corresponding obligation.

## 7. Molds and tools, software

- 7.1 If tools, molds, devices or similar aids (hereinafter "Tools") are manufactured by the Supplier for the Goods ordered by AMK, these shall become the property of AMK upon full payment of the agreed purchase price by AMK and they shall be stored properly by the Supplier for AMK free of charge. Tools owned by AMK are to be visibly labeled as such by the Supplier. As proof of such labeling, the Supplier shall, without being requested to do so, provide AMK with image documentation within a reasonable period of time not exceeding three working days.
- 7.2 The tools must not be scrapped without AMK's written consent.
- 7.3 Tools and the items produced with them may neither be passed on to third parties nor used for their purposes or for the Supplier's own purposes without AMK's prior written consent. They must be protected against unauthorized access or use and surrendered to AMK, free of charge, upon request at any time. With the exception of the surrender obligation, these obligations shall also apply if, by way of exception, the tools are to remain the property of the Supplier.
- 7.4 In the event of culpable violation of the obligations laid down under 7.2 and 7.3, the Supplier shall pay AMK a contractual penalty in the sum of EUR 15,000.00, in view of the fact that claims for damages by AMK's customers would usually be high in the event that delivery were delayed or rendered impossible due to the violation of these obligations. This contractual penalty is independent of the Supplier's obligation to compensate AMK for any damage caused by a breach of these obligations.
- 7.5 If the Supplier's scope of performance includes designs, developments, drafts or similar services, the Supplier is obliged to provide or transfer all results, in particular design and production drawings as well as documentation, user manuals, technical data, calculation models, etc. to AMK or, if such transfer is not possible, to grant AMK corresponding free and unlimited rights of use. They may only be used for third parties with AMK's prior written consent.
- 7.6 Upon request, the Supplier shall, without delay, provide AMK with all the documents necessary for an application for industrial property rights.
- 7.7 In the case of software development, the scope of performance shall include, in particular, the delivery of the software in source code and object code format and the documentation of the program development and application; this shall also apply for subsequent updates under a maintenance contract.

## 8. Spare parts

- 8.1 The Supplier is obliged to supply further parts/spare parts for a period of 20 years from the EOP of the component for which the Goods are intended. In order to ensure this obligation, the Supplier shall keep in stock, carefully store and insure the tools and other equipment necessary for the production of the Goods for this period. Subcontractors are to be obligated accordingly by the Supplier.
- 8.2 Unless otherwise agreed, the series price for the spare parts shall apply for two years after EOP and shall be renegotiated thereafter.

#### 9. REACH/RoHS compliance

- 9.1 The Supplier guarantees that all products delivered to AMK comply with the REACH Regulation (EC) 1907/2006 and RoHS Directive (EC) 2011/65/EU. If the Supplier does not provide AMK with any feedback via <a href="mailto:material@amk-group.com">material@amk-group.com</a>, AMK shall assume that the Goods comply with the above requirements.
- 9.2 REACH SVHC information must always be printed on all delivery notes.

#### 10. Warranty

- 10.1 The statutory provisions and, exclusively in favor of AMK, the following amendments and clarifications shall apply for claims arising from material defects and defects of title in the Goods (including incorrect deliveries, under-deliveries and improper assembly/installation or incorrect instructions) and from other breaches of obligation by the Supplier.
- 10.2 In accordance with the statutory provisions, the Supplier is liable in particular for ensuring that the Goods are of the agreed quality at the time of transfer of risk to AMK. The product descriptions which by way of designation or reference in the order in particular form the subject matter of the respective contract or which have been included in the contract in the same way as these GTCP shall be deemed an agreement on quality. It makes no difference in this regard whether the product description comes from AMK, the Supplier or the manufacturer.
- 10.3 In the case of Goods with digital elements or other digital content, the Supplier is obliged to supply and update the digital content, at least to the extent that this is required as the result of a quality agreement or other product descriptions by the manufacturer or on its behalf, in particular on the Internet, in advertising or on the goods label.
- 10.4 AMK is not obliged to inspect the Goods or make special inquiries about any defects upon conclusion of the contract. Partially deviating from Section 442(1), clause 2 BGB, AMK shall therefore also be entitled to claims for defects without limitation if the defect remained unknown to AMK at the time of conclusion of the contract due to gross negligence.
- 10.5 The statutory provisions (Sections 377 and 381 of the German Commercial Code (Handelsgesetzbuch, HGB)) shall apply for the commercial inspection and defect notification obligation, subject to the following condition: AMK's inspection obligation shall be limited to defects that are identified during the incoming goods inspection by way of external examination, including the delivery documents (e.g. transport damage, incorrect delivery and under-delivery) or that are not apparent during the random sampling procedure within the scope of AMK's quality control. If acceptance has been agreed, there shall be no inspection obligation. This also depends on the extent to which an investigation is feasible in the ordinary course of business, taking into account the circumstances of the individual case. AMK's obligation to give notice of defects that are discovered later remains unaffected. Without prejudice to the inspection obligation, notice of defects by AMK shall be deemed to have been given without undue delay and in due time if it is sent within 10 working days from discovery or, in the case of obvious defects, from delivery. For quantities and weights, the figures determined during AMK's incoming goods inspection are decisive.
- **10.6** Cure also includes removal of the defective Goods and reinstallation, provided that the Goods were installed in another

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item or attached to another item in accordance with their type and intended use before the defect became apparent; AMK's statutory claim for the reimbursement of corresponding expenses (removal and installation costs) remains unaffected. The Supplier shall bear the expenses necessary for the purpose of inspection and cure, in particular transport, travel, labor and material costs and, if applicable, removal and installation costs, even if it turns out that there was actually no defect. The liability for damages in case of an unjustified request for rectification of defects remains unaffected; in this respect, however, AMK shall only be liable if AMK has recognized or, due to gross negligence, failed to recognize that there was no defect.

- 10.7 Without prejudice to the statutory rights and the provisions of 10.6, the following applies: If the Supplier fails to meet its obligation to provide a cure either by repairing the defect (Nachbesserung) or by supplying a replace item that is free of defects (Ersatzlieferung), as AMK chooses within a reasonable period set by AMK, AMK may remedy the defect itself and demand reimbursement from the Supplier of the expenses incurred for this purpose or a corresponding advance payment. If a cure by the Supplier has failed or is unreasonable for AMK (e.g. due to particular urgency, risk to operational safety or imminent occurrence of disproportionate damage), no deadline needs to be set; AMK shall inform the Supplier of such circumstances without delay, in advance if possible.
- 10.8 Otherwise, in the event of a material defect or defect of title in accordance with the statutory provisions, AMK is entitled to reduce the purchase price or withdraw from the contract. In addition, AMK shall be entitled to claim damages and reimbursement of expenses in accordance with the statutory provisions. In the event of justified warranty claims, the Supplier is obliged to compensate AMK for the additional expenses associated with the investigation and processing of the warranty claim.

# 11. Supplier recourse

- 11.1 The legally determined claims for expenses and recourse within a supply chain (supplier recourse in accordance with Sections 478, 445a, 445b or Sections 445c, 327 (5), 327u BGB) are granted to AMK without restriction in addition to the claims for defects. In particular, AMK is entitled to demand from the Supplier exactly the type of Cure (repair or replacement delivery) that AMK owes its customers ("Customers") in the individual case; in the case of Goods with digital elements or other digital content, this also applies with regard to the supply of necessary updates. The statutory right of choice (Section 439 (1) BGB) is not restricted by this.
- 11.2 Before AMK acknowledges or fulfills a claim for defects asserted by the Customer (including reimbursement of expenses in accordance with Sections 445a (1), 439 (2), (3), (6), second clause, 475 (4) BGB), AMK shall notify the Supplier and request a written statement, briefly stating the facts of the case. If a substantiated statement is not made within a reasonable period of time and if no amicable solution is reached, the claim for defects actually granted by AMK to the Customer shall also be deemed to be owed by the Supplier. In this case, the Supplier shall be responsible for providing evidence to the contrary.
- 11.3 Claims arising from supplier recourse shall also apply if the defective Goods have been combined with another product or processed further in any other way by AMK, AMK's Customer or a third party, e.g. by way of fitting, attachment or installation.

#### 12. Manufacturer liability

- **12.1** If the Supplier is responsible for product damage, it shall indemnify AMK against claims by third parties to the extent that the cause lies within its sphere of control and organization and it itself is liable in relation to third parties.
- 12.2 Within the scope of its indemnification obligation, the Supplier shall reimburse expenses in accordance with Sections 683, 670 BGB arising from or in connection with a third party claim, including recall actions carried out by AMK. AMK shall inform the Supplier of the content and scope of recall measures as far as it is possible and reasonable to do so and give it the opportunity to comment. Further legal claims remain unaffected.
- 12.3 The Supplier shall purchase and maintain product liability insurance. This insurance must provide coverage of at least EUR 12 million per claim and at least EUR 20 million per calendar year, and it must remain in force for the duration of the contract as well as the limitation periods arising from the product deliveries made on the basis of this contract. At AMK's request, Supplier shall provide evidence of such insurance and coverage.

## 13. Limitation

- **13.1** The contracting parties' mutual claims shall expire in accordance with the statutory provisions, unless otherwise stipulated below.
- 13.2 By way of deviation from Section 438 (1), no. 3 BGB, the general limitation period for claims on the grounds of defects shall be three (3) years from the transfer of risk. If acceptance has been agreed, the limitation period shall commence upon acceptance.
- 13.3 The three-year limitation period shall also apply accordingly for claims arising from defects of title, whereby the statutory limitation period for third parties' real restitution rights (Section 438 (1), no. 1 BGB) shall remain unaffected; furthermore, claims arising from defects of title shall not become expire for as long as the third party can still assert the right in particular in the absence of limitation against AMK.
- 13.4 The limitation periods of sales law, including the above extension, shall apply to the extent provided for by law for all contractual defect claims. Insofar as AMK is also entitled to non-contractual damages claims due to a defect, the regular statutory limitation period (Section 195, 199 BGB) shall apply, unless the application of the limitation periods of sales law results in a longer limitation period in an individual case.

# 14. Force majeure

- 14.1 Force majeure in this sense is an external damaging event that cannot be averted or rendered harmless even by exercising the utmost reasonable care. An event of force majeure shall release the contracting parties from their performance obligations for the duration of the disruption and to the extent of its impact.
- **14.2** The COVID-19 pandemic and the associated supply shortages, including in procurement, is not a case of force majeure and does not release the Supplier from its obligation to perform.
- 14.3 Due to the COVID-19 pandemic or future pandemics, AMK customer projects may be delayed and subject to a wide variety of disruptions, including delays, delays in acceptance, site closures, restricted transport options, quarantine regulations, travel restrictions, hotel and restaurant closures, and staff shortages. In such cases, AMK is entitled to cancel or postpone orders free of charge with 10 days' notice and the Supplier is obliged to store them properly free of charge. In respect of

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Goods that have already been delivered, the Supplier is entitled to issue invoices for the delivered amount minus any amounts that have already been paid. Any delivery hindrances or delays must be communicated to AMK without delay, and possible solutions must be evaluated - including, in particular, hedging transactions, extra shifts, stockpiling, relocation of production or alternative transport options, despite significantly higher costs — and the implementation thereof must be coordinated with AMK without delay.

**14.4** The same also applies for AMK in the event of force majeure, permitted labor disputes, riots, official measures and other unforeseeable, unavoidable and serious events.

## 15. Final provisions

- **15.1** Amendments to these Terms and Conditions of Purchase or other ancillary agreements must be made in writing in order to be effective. This shall also apply for the amendment of this written form requirement.
- 15.2 Legally relevant declarations and notifications by the Supplier with regard to the contract (e.g. setting of deadlines, payment reminders, withdrawal) must be made in writing. Within the meaning of these GTCP, 'in writing' includes written and text form (e.g. letter, email). Statutory requirements as regards format and further evidence, in particular in the event of doubt regarding the legitimacy of the person making the declaration, shall remain unaffected.
- 15.3 References to the applicability of statutory provisions are for clarification purposes only. Even without such clarification, the statutory provisions shall therefore apply unless they are directly amended or expressly excluded in these GTCP.
- 15.4 Should any of the above provisions be or become invalid, this shall not affect the validity of the remaining provisions of the Terms and Conditions of Purchase. The contracting parties are obliged to replace invalid clauses by provisions that most closely correspond to the economic purpose of the invalid clause. This applies accordingly in the case of loopholes.

# 16. Choice of law and place of jurisdiction

- 16.1 These GTCP and the contractual relationship between AMK and the Supplier shall be governed by the law of the Federal Republic of Germany, excluding international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.
- 16.2 The place of jurisdiction for all disputes arising from the contractual relationship is Stuttgart. However, AMK is also entitled in all cases to institute legal proceedings at the place of performance for the supply obligation in accordance with these GTCP or a prior individual agreement, or at the general place of jurisdiction of the Supplier. Overriding statutory provisions, in particular with regard to exclusive responsibilities, shall remain unaffected.

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