



ARRGOS

Terms and Conditions of Purchase of Arrgos GmbH

Arrgos GmbH ("Arrgos") orders exclusively on the basis of the following Terms and Conditions of Purchase ("TC"). The version current at the time of conclusion of the contract, available on the website <https://arrgos.de/en/general-terms-and-conditions/>, shall be authoritative. Any conflicting terms and conditions of business, sale or delivery of the Supplier shall not be binding for Arrgos. The Supplier accepts the sole validity of Arrgos TC upon acceptance, at the latest upon execution of the order, even if he refers to his own terms and conditions. The acceptance of the Supplier's delivery and service by Arrgos or the payment thereof does not imply any consent to the Supplier's terms and conditions. The aforementioned terms and conditions shall also apply in case of deviating or supplementary clauses or clauses modifying the terms and conditions of Arrgos in offers or letters of confirmation. These are hereby expressly rejected. If a framework agreement exists between Arrgos and the Supplier and/or if the Arrgos order refers to an existing framework agreement, these TC shall apply subsidiary to the existing framework agreement.

1. Offers / orders / subcontractors

Samples, offers, cost estimates and price information of the Supplier are non-binding and free of charge for Arrgos. Orders are only valid if placed in writing or confirmed by Arrgos in writing. The written form is also satisfied by fax or electronic data exchange. Orders placed by Arrgos shall be deemed to be accepted if the Supplier does not object to the written order by a deviating order confirmation within five (5) working days after receipt of the written order. If a delivery period shorter than five (5) working days has been agreed upon, the period for revocation of the order by the Supplier shall be reduced to the agreed delivery period minus one (1) working day. The Supplier's revocation shall be made in writing in the same way as the order. Without Arrgos' written consent, neither parts nor the entire scope of the order may be passed on to third parties (subcontractors or others).

2. Delivery / Acceptance / REACH Regulation

The Supplier shall be responsible for punctual compliance with the agreed delivery date. Partial deliveries or early deliveries require the express consent of Arrgos. If no deadline is agreed, performance or delivery shall be affected without delay. The Supplier shall immediately notify Arrgos of any imminent delay in delivery, stating the duration, the cause, and the new binding delivery date, and shall obtain Arrgos' consent thereto.

Unless otherwise agreed in the order, delivery shall be EXW "Ex Works"/"ex works" according to INCOTERMS 2020.

The Supplier is obliged to comply with all legal, in particular export and customs regulations (especially those concerning controlled goods and sanctions list verification) as well as technical regulations to be observed for the respective shipment. The delivery to Arrgos shall be marked in such a way that the contractual products are clearly identifiable and traceable, in particular they shall be marked with delivery note, order number, order items and consignee. Furthermore, the ordered products shall comply with the conditions of origin of the EU; the Supplier

shall provide Arrgos with the corresponding certificates of origin without being requested to do so.

Deliveries and services shall be accepted in the presence of the Supplier or subcontractors acting on the Supplier's behalf, e.g. forwarding agents. If the commissioning or putting into use of the delivery or service is necessary for checking the same for defects, acceptance shall only take place after successful completion of the test run.

In case of delayed or incomplete delivery Arrgos shall be entitled to withdraw from the contract after granting a grace period or to insist on delivery. Furthermore, in case of delayed delivery Arrgos is entitled to claim a contractual penalty of 1% of the order value per commenced week of delay, but not more than 5% of the order value, without prejudice to further claims for damages.

The Supplier confirms that all deliveries comply with the provisions of EU law, in particular REACH Regulation (EC) No 1907/2006, the RoHS Directive 2011/65/EU and the WEEE Directive 2012/19/EU as amended.

According to Article 7 or 8 of the REACH Regulation (EC) No. 1907/2006, the Supplier shall be obliged to submit his pre-registration, registration, or authorisation to Arrgos in writing without request and prior to performance of the service.

Furthermore, the Supplier undertakes to send Arrgos the current Safety Data Sheets according to Article 31, REACH Regulation, without being requested to do so, at the time of the order as well as whenever the Safety Data Sheet is changed to the following central e-mail address: info@arrgos.de.

Violations of the Supplier's obligations under this paragraph shall entitle Arrgos to withdraw from the contract/order.

3. Shipping / prices / invoices

For quantities, dimensions, and weights of a delivery the values determined by Arrgos during the incoming inspection shall be decisive.

Arrgos shall immediately notify the Supplier in writing of any defects of the delivery as soon as they have been ascertained/discovered in the ordinary course of business, this may also be in the course of further use. The Supplier waives the objection of late notification of defects according to § 377 HGB (German Commercial Code). Secret defects shall entitle Arrgos to warranty claims and/or claims for damages at any time. Payments made shall not be considered as acknowledgement of proper delivery.

Agreed final prices are maximum prices and do not include all shipping and packaging costs. Unless otherwise agreed in the order, delivery shall be EXW "Ex Works" in accordance with INCOTERMS 2020. Value added tax shall be shown separately.

Unless otherwise agreed, payments shall be made net within thirty (30) calendar days after delivery and receipt of the invoice.

Invoices must comply with the applicable tax regulations and must include the respective Arrgos order number, otherwise they will be returned to the supplier and will not trigger a due date.

Exchange rate and currency fluctuations as well as bank charges shall be borne by the supplier.

In the event of default in payment, interest on arrears shall be charged at a rate of 0.25% above EURIBOR on the day

on which the default in payment occurred. The date of the transfer order shall be deemed to be the date of payment.

4. Warranty / liability / insurance

The supplier warrants the use of the best materials appropriate for the purpose, correct and proper execution, considering the latest state of science and technology. The supplier expressly warrants that the goods sold are in full conformity with the samples, specimens and descriptions supplied by him. The information given by the Supplier in connection with the sales talks, in particular, however, in catalogues, advertising material, public statements, data sheets and/or other product descriptions including product questionnaires of Arrgos, shall each be deemed to be the contractually agreed quality of the products. Against this background, the Supplier warrants that the Products have the contractual quality so agreed, irrespective of such quality, however, at least that the Products are suitable for the use provided for in the contract or have the quality which is usual or can be expected for goods of the same kind and quality.

The Supplier shall hand over the work according to the contract with all work results to Arrgos; the right to use and exploit the work to be performed by the Supplier and the related work results, including know-how - in whatever way - shall be exclusively, irrevocably and without limitation vested in Arrgos.

Arrgos shall have the sole right to apply for industrial property rights worldwide on the basis of the transferred rights in its own name and at its own expense, naming the inventor(s), and to use the invention. As far as necessary, the Supplier shall support the granting and maintenance of these industrial property rights by declarations requested by Arrgos, if applicable.

The Supplier shall indemnify and hold Arrgos harmless in case of disputes arising from the delivery which are based on intellectual or industrial property rights and shall guarantee the unrestricted use of the delivered goods.

In case of a defective delivery Arrgos shall be entitled, at Arrgos' option, to demand improvement and/or replacement free of charge for Arrgos, to demand a reasonable price reduction or to demand full or partial rescission. The Supplier shall bear any expenses incurred by Arrgos, such as transport costs, travelling expenses, labour costs, material costs or costs for a possible inspection exceeding the usual scope of an incoming goods inspection. If the Supplier does not comply with Arrgos' written request to remedy the defect within a reasonable period of time set by Arrgos, Arrgos shall be entitled to take the necessary measures at the Supplier's expense or to have them taken by third parties. Arrgos may remedy minor defects immediately at the Supplier's expense or have them remedied. If Arrgos exercises its statutory right of withdrawal, the goods shall be returned to the place of dispatch at the Supplier's risk and expense. Furthermore, Arrgos shall be entitled to assert claims for damages due to non-performance and due to damages, which have not occurred to the delivery item itself in accordance with the statutory provisions.

The warranty period for the assertion of claims for defects is 12 months. In the case of deliveries of goods, it begins with the handover, in the case of a contract for work and services with the acceptance, i.e. in each case with the time of the transfer of risk. The warranty period shall start anew upon completion of the remedy of defects.

The Supplier shall be liable to Arrgos in principle for any form of fault, in particular also for any form of negligence of its employees, staff or other service providers. The Supplier shall be liable for the negligence of its suppliers and sub-suppliers in the same way as for its own negligence. The Supplier shall indemnify Arrgos against any claims, irrespective of their legal basis, resulting from any negligent or intentional breach of contractual or collateral duties as well as non-contractual duties of care of the Supplier by Arrgos' contractual partners or other third parties. This shall also apply in particular to product liability claims which are attributable to the defectiveness of the Supplier's product, irrespective of who is to be regarded as the manufacturer of the end product under liability law. In this context the supplier must prove that the goods delivered to Arrgos were not defective. The Supplier shall bear all costs and expenses resulting from this (including the costs of a possible legal dispute or a necessary retrofitting or recall action).

The supplier shall prove to Arrgos that he has taken out sufficient business and product liability insurance upon request by Arrgos by submitting a valid insurance certificate.

5. Supplementary provisions for services

The type, scope and costs of the services shall be described in detail in a service certificate or the order. In the event of changes, an amendment to the order shall be agreed by the parties. Otherwise, the Supplier shall not be entitled to claim any remuneration for such changes. The Supplier shall inform Arrgos immediately in writing about any changes as soon as they become apparent to him. Services shall be invoiced either as fixed prices or according to actual expenditure or on an hourly basis, whereby in the latter case a maximum sum of billable hours shall be agreed. In the case of services billed on an hourly basis, only the hours actually worked can be billed. Payment shall be made based on service specifications to be approved by Arrgos. The Supplier warrants that he will perform the services to the best of his knowledge and care and in accordance with the state of the art. The warranty provisions according to clause 4 above shall apply mutatis mutandis in this respect. The Supplier warrants that it will only use appropriately qualified personnel for the performance of the Services. These employees are listed in the service specifications. The Supplier shall not replace any employees without good cause. In any case the prior written consent of Arrgos shall be obtained. The Supplier undertakes to transfer the confidentiality obligations incumbent on him according to these EB to his employees, contractors etc. involved in the project in advance. 6.

6. Transfer of ownership

It is agreed with the supplier that the ownership of ordered goods passes to Arrgos upon payment. The Supplier assures that there are no third-party rights on delivered goods. An extended or transferred reservation of title of the supplier does not exist.

7. Quality

The supplier shall manufacture and carry out checks on the contractual products to be delivered in accordance with the environmental, safety and legal regulations applicable to the relevant contractual products, the relevant ISO regulations, DIN standards, etc., the generally recognised rules of technology and taking into account quality regulations customary in the market. The Supplier shall maintain and further develop a quality management

system in conformity with the relevant standards for the duration of the cooperation.

The Supplier shall inform Arrgos in advance and in due time about any change of the contractual products and the processes in his company; this shall also apply to products which the Supplier purchases from third parties. In case of a planned change of the manufacturing or testing process or a change of the manufacturing location, Arrgos shall be informed by the Supplier immediately in writing. In any case Arrgos reserves the right to re-test the products due to the above-mentioned changes according to the Arrgos rules of the product qualification process and/or to subject them to a technical approval procedure and, if necessary, to reject the changes if due to the changes the product does not pass Arrgos' product qualification process.

8. Property rights / secrecy / materials

Drawings, models, samples, tools, and documents of any kind provided by Arrgos or manufactured according to Arrgos' specifications are the property of Arrgos and may not be used for third parties or otherwise made accessible to them.

The Supplier shall be liable for ensuring that the samples, brands, models, drawings, descriptions, and documentation provided by him are free from third party rights and, in particular, that industrial property rights of third parties are not infringed. The delivered goods must comply with legal regulations and official requirements. In case of infringement of these rights and regulations, the Supplier shall indemnify Arrgos against claims for damages of third parties in any case.

The Supplier is obliged to keep confidential any confidential information made available to him as well as any knowledge gained in the course of the execution of the order, also beyond the execution of the order, and not to exploit such information himself or through third parties. The documents arising in the course of the activities shall be archived by the Supplier at least in accordance with the periods stipulated by law. Upon Arrgos' request, all confidential information shall be returned to Arrgos after execution of the order or after notification of non-fulfilment/cancellation of the order together with all copies made (with the exception of a copy to prove compliance with the confidentiality obligation).

The Supplier is not allowed to refer directly or indirectly to his work for Arrgos, i.e. in particular to name Arrgos as reference customer or to use trademarks, logos etc. of Arrgos, without prior consent of Arrgos.

Materials/parts provided shall remain the property of Arrgos and shall be stored separately by the Supplier and used only for the Arrgos order. In case of treatment or processing Arrgos shall become the direct owner of the new or reworked item(s). The Supplier shall be liable for damage or loss, even if he is not at fault.

9. Applicable law / place of performance / place of jurisdiction

All disputes arising out of or in connection with the contract shall be governed exclusively by German law, excluding the UN Convention on Contracts for the International Sale of Goods and conflict of laws provisions. The place of performance for the delivery is the respective place of destination. All disputes shall be settled by the competent court for commercial matters in Freiberg a.N., Germany.

10. Force majeure

Force majeure, labour disputes, interruptions of operations through no fault of Arrgos, riots, official measures and other unavoidable events shall release Arrgos from the obligation to accept the subject matter of the contract in due time for the duration of their occurrence. During such events as well as within two (2) weeks after their end Arrgos shall be entitled - without prejudice to its other rights - to withdraw from the contract in whole or in part as far as these events are not of insignificant duration.

11. Software

Unless otherwise agreed in the individual contract, the Supplier shall grant Arrgos at least a non-exclusive, non-transferable, and unlimited right to use software and hardware products and the related documentation. Arrgos is entitled to make copies for the purpose of data backup. Arrgos shall also be entitled to pass on copies to its customers in connection with contractual processing, with reference to a possible copy right notice of the originator. The Supplier warrants that the software and its data structure are free of errors and assures to have created proper duplicates.

12. Compliance / Anti-Corruption / Data Protection

The Supplier warrants that it will comply with the basic principles of corporate responsibility, labour standards and anti-corruption requirements and has instructed its managers, employees, and any subcontractors to comply with them. In order to ensure this good conduct, the Supplier undertakes to take all necessary measures to avoid illegal acts, in particular to the detriment of Arrgos and/or the authorities. In particular, it undertakes that it, its executives, its employees and other third parties commissioned by it will observe and comply with all applicable anti-corruption regulations and other applicable legal provisions without exception in the performance of the contractual services and will neither directly nor indirectly offer, promise, provide or arrange for improper payments, services or other advantages as consideration for an improper advantage to a public official, a natural or legal person or another third party. In doing so, the supplier shall take organisational precautions in his company to be able to monitor compliance with these regulations as well as compliance with value-oriented codes of conduct by his employees and any subcontractors.

Furthermore, the supplier shall respect worldwide human rights and corporate responsibility as listed in the general principles of the UN Global Compact and summarised in the respective version at the time the respective order takes effect at <https://www.unglobalcompact.org/what-is-gc/mission/principles>. The supplier shall also be obliged to comply with the UN Global Compact.

Furthermore, the Supplier is obliged to comply with the provisions of the State Data Protection Act (LDStG) and the EU General Data Protection Regulation 2016/679 (DSGVO). As far as the Supplier collects, processes, or uses personal data on behalf of Arrgos ("commissioned processing"), an additional contractual agreement between Arrgos and the Supplier is necessary due to applicable legal provisions.

13. Final Provisions

Should any part of these General Terms and Conditions be or become invalid, the remaining terms and conditions and the contract as a whole shall remain unaffected. The provision concerned shall then be interpreted in such a way that the economic and legal purpose originally intended by it is achieved as far as possible.

Declarations on behalf of Arrgos shall only be legally binding if they are made by persons authorised to represent Arrgos, i.e. members of the management, authorised signatories or authorised agents in the required number.

The supplier shall not be entitled to contest the contract on the grounds of error and/or reduction by more than half.

Offsetting with claims against claims of Arrgos is excluded. Furthermore, the Supplier shall not be entitled to any rights of retention.

There are no oral or written collateral agreements to this contract. Any amendments or supplements must be made in writing, this also applies to any waiver of the written form requirement. Any failure by Arrgos to exercise or enforce its rights under these Conditions shall not be deemed to be a waiver of the respective right, so that Arrgos expressly reserves the right to exercise or enforce such right at a later date.

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