

General Terms and Conditions of Purchase of Helios Ventilatoren GmbH + Co KG.

1. Scope

1.1 The following Terms and Conditions of Purchase of Helios Ventilatoren GmbH + Co KG (hereinafter: „we“) shall apply to all business relationships with companies (Section 14 German Civil Code (BGB)), legal entities under public law, or special funds under public law (hereinafter referred to as „Supplier“) and to all present and future orders placed by us and contracts entered into between us and Supplier.

1.2 Deviating or supplementary terms and conditions of the Supplier shall only become part of the contract if we have expressly agreed to their applicability.

1.3 Any legally binding declarations and notices that have to be given from us to Supplier after entering into the contract (e.g. setting of deadlines, notices of defects, a declaration of rescission or reduction in the price) do not require any form in order to be effective. However, mandatory legal formal requirements remain unaffected.

2. Contract Conclusion

2.1 Orders placed by us are revocable up until receipt of the acknowledgement of the order or – in the absence of any acknowledgement of the order – up until delivery. Oral orders and agreements require our written confirmation in order to be effective.

2.2 The Supplier should confirm our order without undue delay, at least within 3 working days by means of an order confirmation stating binding price and delivery times in text form or by delivery. A belated acceptance shall be deemed to be a new offer and requires our confirmation before it is binding.

2.3 Unless expressly otherwise agreed, the delivery times stated by us are binding.

2.4 We are entitled to amend product specifications provided that said amendments can be implemented in the course of the Supplier's normal production process without any significant additional cost. We will in each case reimburse the Supplier the proven, reasonable extra cost incurred due to the amendment. If such amendments result in delays in delivery, which cannot be avoided in the Supplier's normal production and business activity using reasonable efforts, the originally agreed delivery date shall be postponed accordingly. The Supplier shall notify us in writing (incl. fax and email) of the additional costs or delays of delivery expected by Supplier in good time before the delivery date, but at least within 5 working days after receipt of our notification pursuant to sentence 1.

2.5 In the case of orders and confirmations without any price indication, we reserve the right to withdraw from the contract even after delivery has taken place if the price charged does not meet our full approval.

3. Prices and Payment Terms

3.1 The agreed prices are fixed prices and binding for the present order. All prices are stated exclusive of value added tax, but inclusive of packaging, insurance, carriage (CIP Villingen-Schwenningen Incoterms 2020) and

other incidental costs. Any price increases are subject to our written approval.

3.2 For each delivery, a separate invoice stating our complete order details shall be submitted to the invoice address stated in our order immediately after dispatch of the goods.

3.3 Value added tax shall be stated separately in the invoice. Invoices which do not contain our order details (order number, article number, delivery quantity, exact delivery address and delivery note) or which have not been properly issued shall be deemed not to have been submitted.

3.4 Unless otherwise agreed, payments shall be made at our discretion after receipt of the proper invoice, delivery and performance of further agreed services:

- on the 15th of the month following delivery with deduction of a 3 % cash discount or
- within 60 calendar days net.

3.5 For the timely payment of our owed payments, the receipt of our transfer order by our bank shall be sufficient.

3.6 Payment shall be made subject to verification of the invoice. Delays in payment due to circumstances, for which we are not responsible (e.g. stoppages due to internal or third party industrial disputes, force majeure etc.), are excluded.

3.7 Payment shall not be deemed to be any acknowledgement of proper performance.

3.8 Payments on account can only be demanded on the basis of a separate agreement. Payments on account also qualify for the deduction of a cash discount.

4. Deliveries

4.1 The agreed delivery deadlines and dates are binding. The goods ordered must arrive at the place of delivery stated by us on the agreed date. The delivery note must show following information: delivery note number, our order and position, article number of Supplier and of us, article description, order and delivery quantity, exact delivery address.

4.2 The Supplier shall immediately inform us of any threatening or existing delay in delivery. In the event of any delay in delivery due to force majeure, the Supplier shall be granted a reasonable grace period.

4.3 In the event of any delay in delivery caused by Supplier's negligence or intent, we are entitled – after prior written notification and at our discretion and in addition to further-reaching statutory claims – to demand a contractual penalty as compensation for the damage caused by the delay in performance.

The contractual penalty shall be 0.2 % of the contract value per working day of late delivery, however a maximum of 5 % of the contract value. This shall be without prejudice to our right to claim any further proven damage due to delay in performance. Further, we reserve the right to withdraw from the contract.

The Supplier retains the right to prove that we did not suffer any damage whatsoever or only less damage.

4.4 The Supplier shall reimburse all additional costs incurred due to delayed delivery. The receipt and the acceptance of delayed deliveries and services shall not constitute any waiver of claims for compensation.

Early delivery is only permitted with our prior written consent and does not affect the agreed payment date. We are not obliged to accept the delivery and the goods before the agreed delivery date. We are entitled to claim price reductions, which occur prior to the scheduled delivery date.

5. Transfer of Risk

5.1 Delivery and transfer of risk are subject to Sec. 3.1. If, pursuant to a separate agreement, the freight charges are to be borne by us, the Supplier must choose the mode of delivery that is most favourable for us.

We are under no obligation to accept any part deliveries or excess deliveries, which have not been agreed to.

5.2 If we are unable to accept delivery as a consequence of circumstances for which we are not responsible (e.g. stoppages due to internal or third party industrial disputes, force majeure etc.), the risk shall not pass until the grounds for hindrance have been removed and the subject matter of the contract is available to us at the place of delivery.

We shall to notify the Supplier without undue delay if any grounds for hindrance of this nature have occurred or it is expected that they will occur.

5.3 Unless otherwise agreed the place of performance for all obligations arising out of the contractual relationship shall be the place of our registered office (seat).

6. Assignment of claims

Assignment of claims against us requires our prior written approval. The provision of Sec. 354a German Commercial Code (HGB) remains unaffected.

7. Warranty, Claims for defects

7.1 The Supplier warrants that the delivered product is free from defects, meets the specifications as stipulated in the contract, uses the latest available technology and complies in particular with the relevant regulations, norms and guidelines, safety and accident prevention standards, in particular those of the employers' liability insurance associations (Berufsgenossenschaften) and further applicable standards. The Supplier will inspect and document the quality of the products prior to shipment.

If the order is related to complete products or independently functioning components (machines, motors, etc.), the design must comply with all guidelines applicable in Germany, incl. European directives for the declaration of conformity and accident prevention regulations. The Supplier is accordingly obliged to comply with all applicable legal regulations regarding the manufacturing and delivery of the products, in particular to meet the requirements that would apply to EU suppliers.

This applies in particular to the REACH and RoHS Regulations, Low Voltage, Machinery and EMC Directives and other relevant regulations with regard to the materials used or the intended purpose.

The Supplier shall always keep the necessary evidence for this purpose or evidence agreed with us up to date and provide us with a copy in accordance with the instructions mentioned in the order or on request.

7.2 We do not waive warranty claims by acceptance or approval of samples provided by Supplier.

7.3 If the subject matter of the contract does not have the agreed quality or is defective for other reasons, our warranty claims shall be in accordance with the statutory provisions unless otherwise agreed below.

7.4 If Supplier fails to comply with his obligation to remedy the defect within a reasonable period of time set by us, we shall be entitled to remedy the defect ourselves and demand reimbursement of the expenses incurred and/or claim a corresponding advance payment. If the supplementary performance by Supplier has failed or is unreasonable for us (e.g. due to special urgency, endangering operational safety or imminent occurrence of disproportionate damage), no deadline shall be required; we shall inform Supplier of such circumstances without delay, if possible in advance.

7.5 Unless otherwise agreed, the general limitation period for warranty claims is 3 years. The period begins upon delivery of the goods or acceptance of the goods/services by us, if acceptance is required.

Any statutory provisions providing for longer limitation periods shall remain unaffected.

7.6 In the event of changes in the construction or the material composition in relation to sampled or earlier deliveries, new samples must be submitted prior to delivery and our approval is required.

Until our final approval, the Supplier is obliged to ensure deliveries with the previously approved design. We are released from the obligation to inspect the deliveries or services for similarity to previous deliveries.

7.7 On request, the Supplier shall hand over all documents required for the manufacturing of the products to the authorities responsible for us as well as to the notified bodies and provide them with unrestricted access during audits, insofar as this is necessary.

8. Product Liability, Indemnification

8.1 Irrespective of the contractual warranty claims the Supplier shall, upon first demand, indemnify us from and against all claims made on the basis of any intentional or negligent infringement of third party intellectual property rights

8.2 The Supplier shall, upon first demand, indemnify us from and against all claims based on product liability to the extent that the cause lay within his sphere of control and organization and he is himself directly liable in relation to third parties.

8.3 The Supplier shall maintain appropriate liability insurance with extended product liability coverage, and shall provide us with proof of the cover upon demand.

9. Provision of Materials, Wage Labor

9.1 Materials and parts provided by us shall remain our property and may only be processed in accordance with instructions.

Any processing or transformation of the materials provided shall be performed on our behalf and we remain legal manufacturer. The parties are in agreement that we become (co-)owners of the new or transformed object.

9.2 The Supplier shall store the materials and parts provided by us free of charge and shall compensate us for any reduction in value or loss. The Supplier shall bear the risk of loss and of deterioration of the materials provided.

9.3 The Supplier shall be liable for damages negligently or intentionally caused by him as a result of loss, damage due to carelessness, use of inadequate technical means and wrong processing of the delivered material. Metallic waste materials arising during processing shall remain our full property.

10. Deliveries according to our specifications, drawings and models

10.1 We reserve the ownership and industrial property rights to samples, models, tools and all documents which we provide to the Supplier. The Supplier may not make them accessible to third parties without our express consent, nor may it use them for its own purposes or for advertising purposes without our express consent.

10.2 The Supplier is not entitled to use the documents, samples, models and tools mentioned in Clause 10.1 directly or indirectly as a basis for deliveries to third parties. The Supplier must store the documents securely against unauthorized use and inspection and return them in their entirety at our request at the latest with the last delivery or if negotiations do not lead to the conclusion of a contract. In this case, any copy made by the Supplier must be destroyed, any statutory document retention obligations remain unaffected.

10.3 Breaches of the foregoing shall, to the extent caused by negligence or intent, give rise to claim damages and in any case enable us to withdraw from the contract in whole or in part without compensation.

10.4 Products, which have been developed or developed further in cooperation with us and the Supplier, as well as any production processes which may have arisen as a result, may only be used for fulfilment of our purchasing orders. This shall also apply after termination of the business relationship.

10.5 Molds, tools and the like which we provide to the Supplier or which are manufactured in whole or in part at our expense shall remain our property or shall become our property upon completion, including the design documents. They shall be marked as our property by the Supplier at his own expense, maintained, insured at replacement value against fire, water and theft damage, used only for the purposes of the contract and stored carefully. The Supplier hereby assigns to us all compensation claims arising from this insurance; we hereby accept the assignment. The Supplier shall notify us immediately of any malfunctions; if he culpably refrains from doing so, claims for damages shall remain unaffected. Upon request, the Supplier shall be obliged to return the items to us in proper condition if they are no longer required by him for the fulfilment of the contracts concluded with us.

10.6 The Supplier's reservation of title shall only apply insofar as it relates to our payment obligation for the respective products to which the Supplier reserves title. In particular, extended or prolonged reservation of title shall be inadmissible.

10.7 We reserve the exclusive right to dispose of order-related production equipment (documents, fixtures, tools, etc) and to decide about modification, joint use or destruction. This applies accordingly to production equipment provided by us.

In the event of production difficulties, production stoppages and price differences in relation to the competition to our disadvantage, we shall be entitled to demand a free transfer of the production equipment paid by us in whole or in part.

The Supplier shall be responsible for damage, loss or destruction. The above shall apply accordingly to print orders. Templates and printing documents provided by us for production shall be treated with care and, if not otherwise requested, shall be returned after printing.

11. Subcontractors, product safety and quality management

11.1 All of the obligations under the contract must be fulfilled by the Supplier himself. The subcontracting of our orders with third parties is not permitted without our written consent and entitles us to withdraw from the contract and to assert claims for damages.

11.2 The Supplier shall manufacture the subject matter of the contract in compliance with the respective quality, environmental, energy and security provisions applicable to the manufacture of the subject matter of the contract by Supplier.

The Supplier shall comply with the German Product Safety Act (ProdSG) and with all ISO, EN, DIN and VDE standards to the extent the same are applicable to the manufacture of the subject matter of the contract.

11.3 To ensure the quality of its products, the Supplier undertakes to establish, apply, maintain, continuously optimize, and enhance an effective quality management system and to adopt only appropriate procedures.

12. Customs and foreign trade law

12.1 The Supplier shall assist us to comply with foreign trade and customs requirements, especially with regard to the import and export of Supplier's products.

On request, the Supplier shall submit to us long-term supplier declarations (LTSD), certificates of origin and movement certificates concerning the delivered products.

Each LTSD shall have a term of 24 months.

In the LTSD, Supplier shall mention the Harmonized Tariff Code, commercial and preferential origin of the products and the Helios article number. Changes of the origin require a prior notice of at least twelve months.

13. Miscellaneous

13.1 This General Terms and Conditions of Purchase are subject to German law excluding the UN Convention on Contracts for the International Sale of Goods.

13.2 The place of jurisdiction for all legal disputes in connection with this contract is Villingen-Schwenningen.

Instead, we shall also be entitled to assert the claims at the Supplier's general place of jurisdiction.