

General Terms and Conditions for Purchase of COTESA GmbH

§ 1 General; Scope

- (1) These General Terms and Conditions for Purchase (hereinafter referred to as "**GTCP**") apply to all business relations of COTESA GmbH (hereinafter referred to as "**COTESA**") with all contractual partners from whom movable goods and/or services of any kind (hereinafter referred to as "**deliveries and services**") are procured (hereinafter referred to as "**supplier**"). The GTCP shall apply in particular to contracts for the purchase and/or delivery of movable goods, irrespective of whether the supplier manufactures these itself or obtains them from third parties (§§ 433, 650 German Civil Code) and irrespective of whether these are connected with other movable goods or with real estate.
- (2) These GTCP shall only apply to entrepreneurs (§ 14 German Civil Code), legal entities under public law or special funds under public law within the meaning of § 310 para. 1 German Civil Code.
- (3) The GTCP of COTESA apply exclusively. COTESA does not recognise any terms and conditions of the supplier which conflict with or deviate from these GTCP of COTESAe unless and to the extent that COTESA expressly agrees to their validity in writing.
- (4) These GTCP shall also apply if COTESA accepts a delivery or service without reservation and/or makes payments for it in the knowledge that the supplier's conditions are contrary to or deviate from these GTCP.
- (5) As soon as these GTCP have been used once vis-à-vis a supplier, they shall also apply to subsequent orders.
- (6) Individual agreements made with the supplier in individual cases (including collateral agreements, supplements and amendments) shall in any case take precedence over these GTCP. Subject to proof to the contrary, a written contract or written confirmation by COTESA shall be decisive for the content of such agreements.
- (7) References to the validity of legal regulations shall only have a clarifying meaning. Even without such clarification, the applicable statutory provisions shall therefore apply, provided they are not amended or excluded in these GTCP.

§ 2 Confidentiality

- (1) Unless a separate confidentiality agreement has been concluded between COTESA and the supplier, the following paragraphs shall apply.
- (2) The supplier must maintain secrecy with regard to negotiations with COTESA, the conclusion of and all contents and terms of the contractual agreements concluded with COTESA, as well as other information and knowledge received from COTESA as well as products and services of COTESA, data, illustrations, samples, plans, calculations and similar company documents (hereinafter referred to as "**Confidential Information**") and may use the Confidential Information exclusively for the purpose of providing the delivery or service, may not reproduce it or make it accessible to third parties or exploit it in any way for legal protection. This shall also apply after provision of the delivery or service or after termination of the contract. The obligation of confidentiality shall only end when and to the extent that the knowledge contained in the Confidential Information has become generally known.
- (3) If the supplier makes use of third parties to provide the delivery or service with the consent of COTESA (cf. § 3 para. 4), these third parties shall be obliged by the supplier to maintain confidentiality in accordance with the regulations in this § 2.

- (4) COTESA remains the owner of the Confidential Information. The Confidential Information shall not be transferred to the supplier and the supplier shall not be granted a license in respect of the Confidential Information.
- (5) Confidential Information embodied in paper or other form shall be returned to COTESA without requested after the delivery or service has been provided. In the case of non-disclosable Confidential Information on data carriers or similar, the corresponding Confidential Information shall be deleted or otherwise destroyed by the supplier at the request of COTESA. The above two sentences shall also apply to records which the supplier has made of Confidential Information in writing or on other data carriers as well as to copies of Confidential Information made by the supplier, irrespective of whether these are in paper form or on other data carriers. At the request of COTESA, the supplier shall immediately confirm in writing that it has surrendered or deleted or destroyed all documents and records in accordance with the above obligation.
- (6) Deliveries and services which have been produced in accordance with COTESA documents (drawings/models) or on the basis of Confidential Information may not be used by the supplier itself or offered or handed over to third parties. This shall also apply accordingly to COTESA print orders.
- (7) The Mentioning of the contractual relationship between the supplier and COTESA by the supplier for advertising purposes is not permitted.
- (8) In the event of breach of the obligation of confidentiality, the supplier is fully liable to COTESA in accordance with the statutory provisions.
- (9) The obligation under this § 2 does not apply to such Confidential Information which was verifiably already accessible or known to the supplier before the time of notification by COTESA without violation of COTESA's rights.

§ 3 Conclusion of Contract

- (1) All contracts require text form in the sense of § 126b German Civil Code (hereinafter referred to as "**text form**") to be valid.
- (2) The supplier is obliged to accept an offer from COTESA to conclude a contract (hereinafter also referred to as "**order**") in text form within 10 (ten) calendar days (hereinafter also referred to as "**order confirmation**"). An order confirmation received at a later date or whose content differs from the order shall be deemed to be a new offer and must be accepted by COTESA in text form in order to be valid.
- (3) The contract (hereinafter referred to as "**contract**") shall be effectively concluded upon receipt of the supplier's order confirmation in text form by COTESA.
- (4) The supplier is not entitled to have the delivery or service owed by him - even partially – provided by third parties (e.g. subcontractors) without the written consent of COTESA. If the supplier, with the consent of COTESA, commissions third parties in accordance with the preceding sentence, the supplier shall be responsible for passing on to the third parties all contractual requirements of COTESA with regard to the delivery or service.
- (5) Delivery call-offs within existing (framework) contractual relationships shall become binding upon call-off by COTESA in text form, unless the supplier objects to the call-off in text form within the period specified in paragraph 2 for good cause.

§ 4 Provisions Concerning Deliveries and Services - Content of Deliveries and Services

- (1) The content of the deliveries or services to be provided by the supplier are specified in the individual orders placed by COTESA, including any attachments.
- (2) The supplier warrants that the delivery or service includes everything which is necessary for its proper, safe and economic use.
- (3) In the case of the delivery of machines and installations, the technical specification in particular shall be decisive for determining the content of the delivery or service. The

supplier owes and warrants that the object of the delivery or service has the technical specifications or that the success described in the technical specifications is achieved or occurs. To this end, the supplier must provide all necessary planning, design, integration and adaptation services.

- (4) COTESA shall be entitled to demand that the supplier make changes to the object of delivery and service in terms of design, technical implementation and execution within the scope of what is reasonable. The effects of the change on additional or reduced costs as well as on the delivery and service dates and delivery and service deadlines shall be regulated appropriately and, if possible, by mutual agreement.
- (5) Changes to the object of delivery and service on the part of the supplier are only possible with the written consent of COTESA.
- (6) It is the responsibility of the supplier to create the conditions for the complete and timely provision of the delivery or service. This shall apply in particular to obtaining official permits, the provision of necessary accompanying documentation and the performance of technical acceptance tests.
- (7) The supplier shall procure all documents and licenses required for the import and export of the delivery or service (country of origin, HS code/customs tariff number) in compliance with applicable EAR/ITAR requirements and shall inform COTESA in text form in the event of import or export restrictions.
- (8) Partial deliveries or services shall only be permitted if COTESA has given its written consent.
- (9) Unless otherwise agreed, deliveries shall be made free to factory premises, delivered duty paid, including packaging, insurance and freight (DDP according to INCOTERMS 2020) to the destination specified in the order. If the destination is not specified in the order, delivery shall be made to COTESA's place of business at Bahnhofstraße 67 in 09648 Mittweida, Germany. The place of destination shall also be the place of performance (in the legal sense) for the delivery and service as well as any subsequent performance (debt to be discharged at creditor's domicile in the legal sense).
- (10) The supplier shall bear the risk of accidental loss and accidental deterioration of the object of delivery or service until it is handed over at the place of performance. If acceptance has been agreed, this shall be decisive for the transfer of risk. The German statutory provisions of the law on contracts for work and services shall also apply accordingly in the case of an acceptance. If COTESA is in default of acceptance, this shall be deemed equivalent to handover or acceptance.
- (11) In case of delivery of hazardous goods, the corresponding DIN safety data sheets shall be attached to the order confirmation, at the latest to the delivery.
- (12) In accordance with the German packaging law and at the request of COTESA, the supplier is obliged to take back packaging free of charge. If the supplier demands the return of the packaging, this shall also be at its expense. The supplier shall notify COTESA of the request for return in text form at the latest upon delivery. Deviations from the legal rules and regulations concerning packaging require the prior written consent of COTESA.
- (13) The order number stated in the order shall be indicated in the order confirmation, all letters, dispatch notes, consignment notes, labels, parcel addresses, invoices etc.
- (14) The delivery must be accompanied by a delivery note stating the issue (date and dispatch), the contents of the delivery (item number and quantity) and the order number stated in the order as well as - if required in the order - the necessary certificates. If the delivery note is missing or incomplete, COTESA is not responsible for the resulting delays in the processing and payment of the delivery or service. COTESA shall be sent a corresponding dispatch note with the same content separately from the delivery note.

§ 5 Prices; Terms of Payment; Invoices

- (1) The purchase price stated in the order is binding. Unless otherwise stated in the order, the purchase price stated in the order includes the statutory value added tax and all ancillary

costs of the supplier, in particular packaging, freight, insurance, assembly and any commissioning costs.

- (2) Payments by COTESA must be made within 30 calendar days of the complete delivery of the object of deliveries and services (including any agreed acceptance) and receipt of a verifiable invoice which meets the legal requirements. If COTESA makes payment within 14 days, the supplier shall grant a 3 % discount on the net amount of the invoice. The discount or payment period shall be maintained by the payment order within the discount or payment period.
- (3) The quantities and numbers of the objects of the delivery or service determined by COTESA shall be decisive for the payment of the invoice.
- (4) COTESA shall not owe any interest on the due date. The German statutory provisions shall apply to default of payment.
- (5) COTESA will not reimburse cost estimates.

§ 6 Rights to Refuse Performance, Set-Off and Retention

- (1) COTESA shall be entitled to rights of set-off and retention as well as the defence of non-performance of the contract to the extent permitted by law. In particular, COTESA is entitled to withhold payments as long as COTESA is still entitled to claims against the supplier arising from incomplete or defective deliveries and services.
- (2) The supplier shall only have a right of set-off or retention on the basis of counterclaims which have been finally determined by a court or are undisputed.

§ 7 Provision of Security

- (1) COTESA shall be entitled to require the supplier to provide a security amounting to 10 (ten) % of the gross order amount. The security shall extend to the fulfilment of all obligations of the supplier under the contract, in particular to the contractual provision of the delivery or service, including invoicing, fulfilment of claims arising from liability for defects and payment of damages, as well as to the reimbursement of overpayment, including interests. The security shall be released by COTESA at the request of the supplier when the supplier has made or performed the delivery or service in accordance with the contract, acceptance has been carried out (if applicable), and the agreed security for the fulfilment of claims arising from liability for defects by the supplier against COTESA has been provided in accordance with paragraph 2.
- (2) COTESA shall be entitled to require the supplier to provide security amounting to 5 (five) % of the gross invoice amount for the fulfilment of claims arising from liability for defects. The security for claims arising from liability for defects shall extend to the fulfilment of claims arising from liability for defects, including payment of damages, and to the reimbursement of overpayment, including interests. The security shall be released by COTESA at the request of the supplier after the expiry of the limitation period for claims arising from liability for defects and fulfilment of the claims for liability for defects made by COTESA up to that point.
- (3) Insofar as security is required and nothing to the contrary is provided for in the contract, the supplier may provide security solely by handing over a certificate of guarantee issued by a credit institution based in the territory of the European Union with the following content
 - The guarantor shall assume the absolute and directly enforceable guarantee for the supplier in accordance with German law;
 - The right of objection of voidability and set-off, the right of defence of failure to pursue remedies and the right of deposit are waived; the right under § 770 para. German Civil Code (right of objection to set-off) does not apply if the counterclaim of the supplier is undisputed or has been finally determined by a court;
 - The guarantee is unlimited; it expires upon return of the guarantee document;

- In the course of a commercial business transactions Chemnitz, Germany, is agreed as place of jurisdiction.
- (4) If the supplier has not provided the securities required by COTESA, COTESA shall be entitled to retain an amount of 5 (five) % of the gross order amount until the expiry of the limitation period for claims arising from liability for defects.
- (5) If the supplier, at COTESA's request, does not provide the security referred to in paragraph 1 after the unsuccessful expiry of a reasonable period of time, COTESA shall be entitled to withdraw from the contract.

§ 8 Delivery Time; Delay in Delivery; Contractual Penalty

- (1) Dates and deadlines agreed in the contract are binding. The receipt of the delivery or provision of the service at the agreed destination is decisive for the observance of terms and deadlines. If acceptance has been agreed, the date of acceptance shall be decisive for compliance with dates and deadlines.
- (2) The supplier is obliged to inform COTESA immediately in writing if circumstances occur or become apparent to it, which indicate that it will not be able to meet the agreed dates or deadlines. This shall not affect the occurrence of default.
- (3) If the supplier does not provide its delivery or service or does not provide it within the agreed dates and deadlines or if it is in default, COTESA's rights - in particular to withdraw from the contract and to claim damages - shall be governed by the German statutory provisions. The provision in paragraph 4 remains unaffected.
- (4) If the supplier is in default, COTESA shall be entitled to demand a contractual penalty of 0.25 % of the net order amount per completed calendar day; however, a contractual penalty due under this provision may not exceed 5 (five) % of the net order amount. The supplier reserves the right to prove that COTESA has not incurred any damage or only minor damage.

§ 9 Quality Assurance System; Compliance

- (1) The supplier shall ensure compliance with the specifications agreed for the object of delivery or service by means of a quality assurance system.
- (2) The supplier shall maintain the quality assurance system in accordance with the state of the art and manufacture the object of delivery or service in accordance with the agreed quality assurance agreements (QAA) and subject it to an output inspection before delivery.
- (3) The supplier shall grant COTESA, customers of COTESA as well as regulatory authorities the right of access to its business premises after prior notice by COTESA in order to check the progress of the manufacture of the object of delivery or service during normal business hours. In addition, the supplier agrees to allow COTESA to carry out quality audits to assess its quality assurance system, with prior notice from COTESA during normal business hours.
- (4) The supplier undertakes to apply appropriate processes to prevent the use of counterfeit or presumably counterfeit parts in the object of delivery or service.
- (5) The supplier warrants that the object of delivery or service as well as the underlying manufacturing process meets all requirements of Regulation EC 1907/2006 (hereinafter referred to as "**REACH Regulation**") as amended. The supplier undertakes to comply with its information and registration obligations under the REACH regulation and to send the safety data sheets required under the REACH regulation without request to COTESA prior to the first delivery or regularly after any changes have been made.
- (6) The supplier shall monitor its supply chain regarding obsolescence of materials for the manufacturing of products and inform COTESA in case of imminent risks immediately.
- (7) The supplier shall ensure that no conflict minerals within the meaning of Section 1502 of the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act of 21st of July 2010 are used during the manufacture process for the object of delivery or service.

- (8) The supplier undertakes to ensure that its deliveries and services comply with the requirements of the industrial safety and statutory accident prevention regulations and that in particular any necessary protective devices are supplied, even if these or individual parts, which are necessary for proper operation, are not listed separately in COTESA's order or in the contract. In all other respects, the supplier undertakes to perform the delivery or service in accordance with the conditions of the relevant trade association. The supplier shall be liable for the violation of these and other obligations in accordance with the statutory provisions.
- (9) The supplier is obliged to observe all relevant laws of the respectively applicable legal regulations and to neither passively nor actively, directly or indirectly commit or refrain from actions which may lead to criminal liability, in particular, for granting of benefits, bribery, fraud, embezzlement, breach of competition or insolvency offences. In the event of a violation, COTESA is entitled to terminate or withdraw from all agreements and (framework) agreements with the supplier without notice, within the limits of reasonableness.
- (10) Prior to the performance of work and services on COTESA's premises, the supplier must sign COTESA's external company policy. The supplier or persons commissioned by the supplier must comply with the regulations for occupational safety and environmental protection applicable to COTESA. The same applies to compliance with technical regulations.

§ 10 Obligation to Examine and Give Notice of Defects; Default of Acceptance

- (1) The commercial duty of inspection and notification of defects shall be governed by the German statutory provisions (§§ 377, 381 German Commercial Code) subject to the following regulations: COTESA's duty of inspection shall be limited to defects which are openly apparent during an incoming goods inspection under external examination including the delivery documents (e.g. transport damage, wrong and short delivery) or which are recognisable during a quality control by random sampling. Otherwise, it depends on the extent to which an inspection is feasible in the normal course of business, taking into account the circumstances of the individual case. COTESA's obligation to give notice of defects discovered later remains unaffected. Without prejudice to COTESA's duty to examine, a complaint by COTESA shall in any event be deemed to be prompt and timely if it is sent within 5 (five) working days of discovery or, in the case of obvious defects, within 5 (five) working days of delivery.
- (2) If acceptance of the object of delivery and services has been agreed, COTESA shall not be obliged to inspect them.
- (3) Unconditional payment shall not constitute approval of objects of deliveries or services not in conformity with the contract.
- (4) The occurrence of a default of acceptance on the part of COTESA shall be determined in accordance with the German statutory provisions. The supplier shall also be obliged to expressly offer its delivery or service if a specific or determinable calendar period has been agreed for an action or cooperation by COTESA. If COTESA is in default of acceptance, the supplier may demand compensation for its additional expenses in accordance with the German statutory provisions (§ 304 German Civil Code). If the contract concerns non-fungible items to be manufactured by the supplier (individual production), the supplier shall only be entitled to further rights if COTESA undertakes to cooperate and is responsible for the failure to cooperate.

§ 11 Retention of Title

- (1) Insofar as COTESA provides the supplier with objects, parts, materials, means of production, etc. (hereinafter referred to as "**materials**"), COTESA reserves the right of ownership. Such objects must - as long as they are not processed - be stored separately for COTESA at the expense of the supplier and insured to a reasonable extent against destruction and loss.

- (2) Any processing or transformation of materials by the supplier shall be carried out for COTESA. If materials are processed by the supplier with objects not belonging to COTESA in accordance with § 950 German Civil Code, combined in accordance with § 947 German Civil Code or mixed in accordance with § 948 German Civil Code, COTESA shall acquire co-ownership of the new item in the ratio of the value of the materials (purchase price plus VAT) to the value of the other processed, combined or mixed objects at the time of processing, combining or mixing. If the processing, combining or mixing is carried out in such a way that the objects not belonging to COTESA are to be regarded as the main object, it is agreed that the supplier shall transfer proportional co-ownership to COTESA; the supplier shall keep the new item in safe custody for COTESA to this extent.
- (3) If the security interests to which COTESA is entitled under paragraphs 1 and 2 exceed the purchase price plus value added tax of the materials by more than 20%, COTESA shall be obliged to release the security interests at the discretion of COTESA at the request of the supplier.
- (4) Upon payment of the object of the deliveries or services, the sole ownership of the object of the deliveries or services shall pass to COTESA without restriction. In the ordinary course of business, COTESA shall remain authorised to resell the object of delivery or service even before payment has been made, with advance assignment of the resulting claim to the supplier (alternatively, simple reservation of title extended to resale). This excludes all other forms of retention of title, in particular the extended, forwarded and extended retention of title to further processing.

§ 12 Liability for Material Defects and Defects of Title (General)

- (1) The supplier shall be responsible for ensuring that the object of delivery or service complies with all applicable statutory and official regulations, it is fully owned by the supplier and that no third-party rights conflict with it.
- (2) The deliveries and services must comply with the generally accepted rules of technology as well as other statutory provisions, technical test regulations and accident prevention regulations applicable at the time of the transfer of risk. In particular, DIN standards and VDE guidelines must be complied with and labelling obligations fulfilled.
- (3) Irrespective of the type of contract, the supplier shall owe compliance with the contractually agreed technical specifications with regard to the object of delivery or service as an independent guarantee, regardless of fault.

§ 13 Liability for Material Defects and Defects of Title

- (1) COTESA shall be entitled to the statutory claims under German law for deviations in type or quantity, material defects or defects of title of the object of delivery or service (claims for defects) in full. In particular, COTESA shall be entitled, at its discretion and in accordance with the more detailed provisions of the German law, to demand the removal of a defect or the delivery of a defect-free item or the production of a new work (subsequent performance), to withdraw from the contract, to reduce the remuneration, to demand compensation for damages or reimbursement of frustrated expenditure.
- (2) In accordance with the statutory provisions, the supplier shall be liable in particular for ensuring that the object of delivery or service has the agreed quality at the time of transfer of risk to COTESA. In any event, those descriptions which - in particular by designation or reference in COTESA's order - are the subject matter of the respective contract or which have been incorporated into the contract in the same way as these GTCP shall be deemed to be an agreement on the quality. It makes no difference whether the description originates from COTESA, the supplier or a third party (e.g. manufacturer).
- (3) COTESA shall not be obliged to inspect the object of delivery or service or to make special inquiries about any defects at the time of conclusion of the contract. In deviation from § 442

para. 1 sentence 2 German Civil Code COTESA shall therefore be entitled to claims for defects without restriction even if COTESA was unaware of the defect at the time of conclusion of the contract due to gross negligence.

- (4) Subsequent performance shall also include the removal of a defective item or work and its reinstallation, provided that the item or work has been installed in or attached to another item or work in accordance with its type and its intended use. COTESA's legal claim to reimbursement of corresponding expenses remains unaffected. The supplier shall bear the expenses necessary for the purpose of testing and subsequent performance even if it turns out that there was actually no defect. COTESA's liability for damages in the event of an unjustified demand for the removal of defects remains unaffected; in this respect, however, COTESA is only liable if COTESA has recognised or grossly negligently failed to recognise that there was no defect.
- (5) Without prejudice to COTESA's statutory rights and the provisions of paragraph 4, the following shall apply: If the supplier does not fulfil its obligation to remedy the defect - at COTESA's discretion by remedying the defect or by delivering a defect-free item or producing a new work - within a reasonable period of time set by COTESA, COTESA may remedy the defect itself and demand compensation from the supplier for the expenditure required for this purpose or a corresponding advance payment. If subsequent performance by the supplier has failed or is unreasonable for COTESA (e.g. due to particular urgency, endangerment of operational safety or imminent occurrence of disproportionate damage), no deadline need be set; COTESA shall inform the supplier of such circumstances immediately, if possible in advance.

§ 14 Producer Liability

- (1) If a claim is made against COTESA on the basis of producer liability, product liability or any other form of liability on account of a defect in the object of delivery or service supplied by the supplier, the supplier shall indemnify COTESA on first demand from the liability resulting from the defect, insofar as the supplier is responsible for the defect and is itself liable in the external relationship.
- (2) Within the scope of its obligation to indemnify, the supplier shall reimburse COTESA for any expenses pursuant to §§ 683, 670 German Civil Code or §§ 830, 840, 426 German Civil Code which arise from or in connection with a claim by third parties, including a recall action carried out by COTESA. Within the scope of reasonableness and possibility, COTESA shall inform the supplier immediately of the content and scope of the recall measures. Further legal claims shall remain unaffected.
- (3) The supplier shall - without prejudice to any personal liability of the supplier - take out and maintain product liability insurance with an appropriate sum insured for personal injury and property damage and provide evidence of this to COTESA on request.

§ 15 Supplier Recourse

- (1) COTESA shall be entitled without restriction to the statutory rights of recourse within a supply chain (supplier recourse in accordance with §§ 445a, 445b, 478 German Civil Code) in addition to claims arising from liability for defects. In particular, COTESA is entitled to demand from the supplier exactly the type of subsequent performance (removal of a defect or replacement) which COTESA owes to its own buyer or customer in the individual case. An exception to this shall only exist if COTESA has previously been granted an equivalent compensation for the right of recourse. COTESA's statutory right of choice (§ 439 para. 1 German Civil Code) is not restricted.
- (2) Before COTESA recognises or fulfils a claim for liability for defects asserted by its purchaser or customer (including reimbursement of expenses pursuant to §§ 445a para. 1, 439 para. 2 German Civil Code), COTESA shall notify the supplier and request him to make a statement in

text form, giving a brief description of 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 liability for defects actually granted by COTESA shall be deemed to be owed to the buyer or customer of COTESA; in this case the supplier is responsible to provide counter evidence.

- (3) COTESA shall also be entitled to the claims arising from supplier recourse if the defective object of deliveries or services have been further processed by COTESA or a third party, e.g. by installation in another product.

§ 16 Industrial Property Rights

- (1) The supplier guarantees that no copyrights, rights of use or industrial property rights as well as legal positions of third parties capable of being protected by property rights are infringed when the object of delivery or service is used in accordance with the contract.
- (2) If claims are made against COTESA by third parties on account of the infringement of rights within the meaning of paragraph 1, the supplier is obliged to indemnify COTESA against these claims on first demand. This obligation to indemnify also applies to all expenses necessarily incurred by COTESA as a result of or in connection with the claim made by a third party.
- (3) The obligation to indemnify pursuant to paragraph 2 shall not apply if the objects of deliveries or services are manufactured by the supplier according to plans, calculations or equivalent documents received from COTESA and the supplier does not know and, in connection with the objects of deliveries or services, does not have to know without gross negligence that their use infringes the rights of third parties within the meaning of paragraph 1.
- (4) The supplier shall be obliged to inform COTESA immediately of any risks of infringement and cases of infringement of which it becomes aware.
- (5) Any copyrighted rights, industrial property rights and similar legal positions of the supplier with regard to the object of the delivery or service which arise in connection with the contract shall be transferred to COTESA without any additional remuneration when they arise. COTESA shall be entitled to these rights without any restrictions in terms of content, time or place and exclusively and may be transferred, extended, amended, published, reproduced, used and exploited in any other way by COTESA. The supplier must ensure that COTESA's rights under sentence 1 and sentence 2 are fulfilled by means of suitable agreements with its employees and other vicarious agents.

§ 17 Termination/Rescission

- (1) Force majeure (natural disasters, fire, floods, war, pandemics, labour disputes, court orders or other unavoidable events) shall entitle COTESA to withdraw from a contract in whole or in part and to obtain the deliveries and services from other sources, provided that the restriction due to the force majeure is not only of a temporary nature.
- (2) In the case of existing (framework) contractual relationships, COTESA shall be entitled to an unlimited extraordinary right of termination vis-à-vis the supplier in the event of repeated performance disruptions or deliveries or services with serious qualitative or quantitative deviations from contractual requirements for the object of delivery or service.

§ 18 Limitation Period

- (1) All mutual claims between the supplier and COTESA shall be subject to limitation periods in accordance with the statutory provisions, unless otherwise provided for below.
- (2) Notwithstanding § 438 para. 1 no. 3 and § 634a para. 1 no. 1 German Civil Code, the general limitation period for claims for material defects shall be 3 (three) years from the passing of risk, unless longer periods are provided for by law. If acceptance has been agreed, the limitation period shall commence upon acceptance. The three-year period of limitation shall also apply accordingly to claims arising from defects of title, whereby the statutory period of

limitation for in rem restitution claims of third parties (§ 438 para. 1 no. 1 German Civil Code) shall remain unaffected. Furthermore, claims arising from defects of title shall not be time-barred under any circumstances as long as the third party can still assert the right - in particular in the absence of a limitation period - against COTESA.

- (3) The expiration of the limitation period for claims arising from liability for defects shall be suspended by a notice of defect by COTESA to the supplier in respect of the object of delivery or service concerned. The suspension shall end when the supplier has refused subsequent performance, the subsequent performance has failed as well as with the subsequent performance. The period in which the limitation period is suspended shall not be included in the limitation period. The limitation period shall commence at the earliest three months after the end of the suspension.
- (4) The limitation period for claims pursuant to § 16 of these GTCP is 10 (ten) years and commences with the transfer of risk. Paragraph 2 sentence 2 shall apply accordingly.
- (5) Insofar as COTESA is also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (§§ 195, 199 German Civil Code) shall apply unless the application of the limitation periods of the German sales law or the German law on contracts for work and services leads to a longer limitation period in individual cases.

§ 19 Other Provisions

- (1) If one or more provisions of these GTCP are or become invalid or void, the validity of the remaining provisions and the contract with the supplier shall not be affected.
- (2) These GTCP are available in German and English. In the event of discrepancies between the two language versions, the German version shall take precedence.

§ 20 Place of Jurisdiction, Applicable Law

- (1) Place of jurisdiction is Chemnitz, Germany. However, COTESA is also entitled to sue the supplier at its place of business.
- (2) These GTCP and contracts with the supplier based on them shall be governed by the law of the Federal Republic of Germany under exclusion of the international private law. The application of the international law on the sale of goods (UN Sales Convention - CISG) is expressly excluded.