

## General Terms and Conditions for the Purchase of Goods and Services (Germany)

### 1. Subject of the Agreement

- 1.1. The Parties agree that Rieter Components Germany GmbH purchases from Supplier based on written order accepted by Supplier (“Order”) the items (“Goods”) and services (“Services”) set out in the Order. Each Order is governed only by these General Terms and Conditions for the Purchase of Goods and Services (“GTC”) (for conflicting, additional or deviating provisions of the Supplier from these GTC, see clause 2.3. of the GTC). Orders under a quantity contract which entitle Rieter Components Germany GmbH to call off a pre-defined volume of Goods on a pre-defined price in a pre-defined period shall in addition to the GTC incorporate additional terms outlined in the quantity contract (“Additional Terms”) which may deviate from the provisions of the GTC.
- 1.2. The Order, the GTC, the Additional Terms (if any), and any other information, data, or material submitted or agreed by Rieter Components Germany GmbH, constitute the entire agreement (“Agreement”) between Rieter Components Germany GmbH and Supplier.
- 1.3. Any purchase or Services automatically includes the purchase of all material and information resulting from or relating to the provision of the relevant Services including, without limitation, documents, reports, data, diagrams, drawings, and specifications (“Work Results”). If not expressly stated otherwise, the provisions of the GTC that are applicable to Goods shall equally apply to Work Results.
- 1.4. The term “Affiliate(s)” means any legal entity, whether incorporated or not, which presently or in the future, directly or indirectly, owns, is owned by, or is under common ownership with a Party by virtue of a controlling interest of 50% or more of the voting rights or the capital. Supplier agrees, and represents that its Affiliates agree, (i) that Rieter Components Germany GmbH and its Affiliates may order Goods and Services from Supplier and its Affiliates in accordance with the provisions of the Agreement, and (ii) to accept Orders from Rieter Components Germany GmbH and its Affiliates and process such Orders.
- 1.5. If an Affiliate of Rieter Components Germany GmbH orders Goods or Services from Supplier or any of its Affiliates, then such Affiliate of Rieter Components Germany GmbH and, as applicable, Supplier or the respective Affiliate of Supplier, shall be responsible for the fulfilment of the contractual obligations pertaining to the Agreement, and the terms “Rieter Components Germany GmbH”, “Supplier”, “Party”, and “Parties” used in the Agreement shall be deemed to refer to the respective contractual parties.
- 1.6. In the event of any conflict or inconsistencies between the contractual documents and unless the Parties have not expressly agreed otherwise in writing, the following order of precedence applies: (i) Order, (ii) any other information, data, or material submitted or agreed by Rieter Components Germany GmbH in writing, (iii) Additional Terms, and (iv) GTC.

### 2. Order Process

- 2.1. Except for Orders under a quantity contract, which do not require confirmation by Supplier, each Order shall be confirmed by Supplier within 5 calendar days after receipt thereof. Within the same period Supplier shall inform Rieter Components Germany GmbH of any missing information that reasonably prevents Supplier from confirming the Order, and Rieter Components Germany GmbH shall provide the missing information to Supplier and Supplier shall confirm the Order within 1 calendar day after receipt of the missing information. If Supplier neither confirms an Order nor informs Rieter

Components Germany GmbH of any missing information required by Supplier to confirm the Order, both within the periods stated in the preceding sentence, the Order shall be deemed confirmed. Supplier impliedly confirms the Order by executing delivery of Goods or provisioning of Services in whole or in part.

- 2.2. Supplier agrees to collect in advance all information required to supply the Goods and provide the Services in accordance with the Agreement.
- 2.3. No conflicting, additional or deviating terms and conditions of Supplier noted, included or contained in an offer, an order, an order confirmation, the Rieter Components Germany GmbH ordering system or any other document shall form part of the Agreement.

### 3. Change Request

- 3.1. Either Party may in good faith at any time request to change the ordered Goods and Services, production methods, or production processes or materials (“Change Request”).
- 3.2. If a Change Request is submitted, the Supplier shall provide to Rieter Components Germany GmbH as soon as reasonably possible, but no later than 5 calendar days, a summary describing the feasibility and impact of the Change Request (“Summary”). Upon receipt of the Summary, Rieter Components Germany GmbH shall inform the Supplier about its decision to proceed with the Change Request as set forth in the Summary, to proceed with the Change Request subject to certain modifications to the Summary, or to not proceed with the Change Request.
- 3.3. If Rieter Components Germany GmbH informs the Supplier in accordance with clause 3.2 to proceed with the Change Request as set forth in the Summary, the Order or part of the Agreement will be amended automatically in accordance with the Summary. If Rieter Components Germany GmbH informs the Supplier in accordance with clause 3.2 to proceed with the Change Request subject to certain modifications to the Summary, Rieter Components Germany GmbH shall propose such modifications to the Supplier, and the Parties shall in good faith find a mutual agreement with respect to the open items as soon as reasonably possible, but no later than 10 calendar days, upon receipt of Rieter Components Germany GmbH’s proposed modifications by Supplier, otherwise the Change Request shall be deemed withdrawn by Rieter Components Germany GmbH. If Rieter Components Germany GmbH informs the Supplier in accordance with clause 3.2 to not proceed with the Change Request, or if Rieter Components Germany GmbH does not inform the Supplier in accordance with clause 3.2 or the preceding sentence how to proceed with the Change Request, the Change Request shall also be deemed withdrawn by Rieter Components Germany GmbH.
- 3.4. If a Change Request is implemented in accordance with clause 3.3, Supplier shall amend all documentation required by Rieter Components Germany GmbH accordingly and send such amended documentation in electronic format, English language, and any language required by Rieter Components Germany GmbH’s customers, to Rieter Components Germany GmbH no later than 10 calendar days after the date on which Rieter Components Germany GmbH has agreed to the implementation of the Change Request. Supplier shall use best efforts to minimize costs arising out of such a Change Request including, without limitation, sale of cancelled materials to other customers.
- 3.5. As long as a Change Request is not implemented in accordance with clause 3.3, and unless the Parties have not agreed otherwise in writing or the Change Request is not deemed to be

withdrawn in accordance with clause 3.3, the Parties shall continue to perform their contractual obligations without taking the Change Request into account. Supplier is not entitled to any compensation for its efforts incurred in connection with the preparation of the Summary and the evaluation of such Change Request.

3.6. Rieter Components Germany GmbH may withdraw or terminate the Agreement with immediate effect if Supplier implements changes to Goods or Services without having obtained Rieter Components Germany GmbH's prior written consent and does not return even after the expiry of a reasonable deadline set for him to provide the service as originally agreed, unless the setting of a deadline is dispensable in accordance with the law. Further claims and rights of Rieter Components Germany GmbH remain unaffected.

3.7. If due to any change in applicable law or interpretation of any applicable law by any court, governmental authority, or other governing body having jurisdiction ("Change of Law"), the performance of the Agreement becomes unlawful in whole or in part, the Party becoming aware of the Change of Law shall notify the other Party about the Change of Law within 10 calendar days, and the Parties shall thereafter promptly negotiate in good faith a reasonable amendment to the Agreement. If the Parties cannot reach an agreement, Rieter Components Germany GmbH may withdraw or terminate the Agreement with immediate effect.

#### 4. Price and Payment Terms

4.1. In consideration of the Delivery of Goods and provision of Services, Rieter Components Germany GmbH shall pay the prices for the Goods and fees for the Services as set out in the Order ("Prices and Fees"). The Prices and Fees are exclusive of VAT, but includes any other taxes, customs duties, charges, fees, levies, costs, and other imposts (collectively "Taxes") to be paid in connection with the performance of the Agreement. Supplier shall bear all such Taxes unless they are directly to be borne by Rieter Components Germany GmbH according to applicable law. If Rieter Components Germany GmbH is required to pay any Taxes in connection with the performance of the Agreement, Supplier shall reimburse Rieter Components Germany GmbH for the payment of such Taxes within 30 calendar days after receipt of Rieter Components Germany GmbH's demand.

4.2. Supplier shall submit invoices complying with applicable law, generally accepted accounting principles, and Rieter Components Germany GmbH's requirements set out in the Agreement. The invoices shall contain information relating to either Party, such as (i) legal entities, (ii) address of legal entities, (iii) contact or reference person of legal entities including contact details (telephone, fax, e-mail), as well as invoice date, invoice number, Order number, quantity, description of Goods (including part number), description of Services, Price, Fee, currency, VAT amount and number, and customs identification number.

4.3. After Delivery of the Goods or provision of the Services, Supplier shall issue and submit to Rieter Components Germany GmbH the corresponding invoice. Rieter Components Germany GmbH shall pay each invoice issued and submitted to Rieter Components Germany GmbH within 90 calendar days from the date of such invoice, unless otherwise agreed in the Order. If Rieter Components Germany GmbH makes payment within 14 calendar days from the date of such invoice, Rieter Components Germany GmbH may deduct a discount of 3% from the total invoice amount. The payment of any invoice by Rieter Components Germany GmbH is being conditional on (i) Supplier being compliant with any provision of the Agreement, (ii) Rieter Components Germany GmbH having accepted the Goods or Services, and (iii) such invoice not being disputed in good faith by Rieter Components Germany GmbH. If Rieter Components Germany GmbH does not pay an invoice when due because of reasons set out in the preceding sentence, Supplier hereby waives its right to rely on any objection of non-compliance by Rieter Components Germany GmbH. In any event, non-payment of any invoice by Rieter Components Germany GmbH does not

release Supplier from fulfilling its contractual obligations. Payment of any invoice by Rieter Components Germany GmbH does not imply a waiver by Rieter Components Germany GmbH of its rights to claim performance under the Agreement by Supplier.

4.4. If Rieter Components Germany GmbH has not paid an invoice within the agreed payment period, then, subject to clause 4.3, Rieter Components Germany GmbH will be in default of payment. In such event, Supplier shall set Rieter Components Germany GmbH a reasonable curing period of at least 30 calendar days counting from the date of receipt of the notice by Rieter Components Germany GmbH. If Rieter Components Germany GmbH still has not paid the invoice upon expiry of such curing period, Supplier is entitled to receive interest on the overdue amount at the rate of 1% p/a, or at the mandatory rate imposed by applicable law, from the first day of default of payment until payment is made. To the extent permitted by applicable law, the payment of interest shall be the sole and exclusive remedy of Supplier for any default of payment by Rieter Components Germany GmbH.

4.5. Supplier agrees that Rieter Components Germany GmbH may set off amounts owed to Supplier against amounts Supplier owes to Rieter Components Germany GmbH.

#### 5. Delivery of Goods and Provision of Services

5.1. The Goods shall be delivered to Rieter Components Germany GmbH on the agreed delivery date in accordance with the agreed Incoterms 2020 in the Order, or, if no Incoterm is agreed in writing, in accordance with Incoterms 2020, FCA Supplier's place of business ("Delivery"). The Services shall be provided at the time and place specified in the Order, or, if no place has been specified, at the place communicated by Rieter Components Germany GmbH.

5.2. Latest at the date of Delivery of Goods or the date of provision of the Services Supplier shall provide to Rieter Components Germany GmbH at no extra charge the technical documentation, product data sheets, declarations of conformity (e.g. CE), drawings, operating and maintenance manuals, application recommendations, test specifications, assembly instructions, training material, certificates of origin, trade compliance relevant documentation, and other material and information reasonably required by Rieter Components Germany GmbH (collectively "Documentation"). The Documentation shall be made available in hard copy or electronic format, English language, and any language required by Rieter Components Germany GmbH's customers.

5.3. Each Delivery of Goods or provision of Services shall be accompanied by (i) an Order number, (ii) the quantity and the description of Goods or Services, (iii) a packaging list, (iv) a commercial invoice, (v) certificate(s) of origin, (vi) the Documentation, and (vi) other information reasonably required by Rieter Components Germany GmbH, all of which shall be in English language, unless otherwise communicated by Rieter Components Germany GmbH.

5.4. Ownership of the Goods and the Documentation shall pass to Rieter Components Germany GmbH at Delivery. Ownership (title) of Work Results shall pass to Rieter Components Germany GmbH at the time when they are created. To the extent that Goods contain software for operation of the Goods and such software is embedded in and delivered as integral part of Goods ("Embedded Software"), ownership of Embedded Software shall not pass to Rieter Components Germany GmbH.

5.5. If the Embedded Software contains or uses publicly available and accessible software which can be used, modified, and further developed by everybody, however always in compliance with the relevant publicly available underlying license terms and conditions ("Open Source Software"), Supplier must specify and inform Rieter Components Germany GmbH prior to Delivery about all Open Source Software implemented into or used by the Embedded Software. If Rieter Components Germany GmbH does not approve any Open Source Software components contained in or used by the Embedded Software, Supplier agrees to replace or substitute at its own cost the affected Open Source Software

components with software of at least the same quality and functionality, and which are accepted by Rieter Components Germany GmbH.

- 5.6. Supplier shall ensure that the Goods are stored, labelled, packaged, and transported in accordance with the terms of the quality assurance agreement (“QAA”) agreed between the Parties, or, if no QAA is concluded between the Parties, in such a manner as to maintain the quality and security of the Goods and enable them to reach their destination in good condition. Supplier shall also ensure that the Goods are placed and fixed during transport in a manner as to enable their efficient unloading and inspection at the final place of delivery. Moreover, Supplier shall comply with any instructions given by Rieter Components Germany GmbH.
- 5.7. Compliance with the agreed dates for Delivery of Goods and agreed dates for provision of Services are of utmost importance for Rieter Components Germany GmbH and time is of the essence. If Supplier is in delay, Supplier will be in default immediately and Rieter Components Germany GmbH shall have no obligation to set an appropriate time limit for subsequent delivery or performance. Should Supplier become aware of (i) a delay measured against any agreed date or have reasons to believe that an agreed date cannot be observed, or (ii) any other circumstance that could jeopardize the performance of the Agreement, Supplier shall immediately notify Rieter Components Germany GmbH thereof, stating the cause of the delay or impediment and an estimated new date. Such notice shall not limit Supplier’s liability for delay or breach of other contractual obligations in any kind.
- 5.8. In the event of default by Supplier, Rieter Components Germany GmbH shall be entitled to demand a contractual penalty of 0.5% of the net order value of the delayed part for each commenced week of delay, up to a maximum of 5% of the net order value of the delayed part, unless the supplier is not responsible for the delay. If Rieter Components Germany GmbH accepts the performance, Rieter Components Germany GmbH must reserve the right to claim the contractual penalty at the latest with the final payment. Cases of force majeure are excluded. Further claims of Rieter Components Germany GmbH remain unaffected. Rieter Components Germany GmbH's claim for performance shall only be excluded if Supplier pays damages instead of performance at Rieter Components Germany GmbH's request. Acceptance of late performance does not constitute a waiver of claims for damages or the contractual penalty.
- 5.9. In the event of any delay, Supplier shall take at Supplier’s expense all such actions that are upon Rieter Components Germany GmbH’s sole discretion satisfactory to enable delivery. In such cases, the applicable delivery terms for Goods are Incoterms 2020, DDP at a place determined by Rieter Components Germany GmbH.

## 6. Records and Audit

- 6.1. Upon request from Rieter Components Germany GmbH, Supplier shall promptly disclose any subcontractors used by Supplier to manufacture and deliver the Goods or parts thereof or provide the Services.
- 6.2. Supplier shall keep complete, accurate and up to date records and information relevant to the Agreement for at least 10 calendar years following the date of Delivery of the Goods or provision of the Services or termination of the Agreement, whichever occurs later.
- 6.3. At any time prior to or after Delivery of Goods or provision of Services and during usual business hours, Rieter Components Germany GmbH, alone or together with its customer(s) or with support of a third party, shall have the right upon providing prior notice to Supplier, to inspect at Rieter Components Germany GmbH's sole discretion Supplier's or its subcontractors' (i) manufacturing sites or other facilities, (ii) manufacturing and business processes, (iii) and business information, to verify compliance of Supplier with the Agreement. Upon request from Rieter Components Germany GmbH, Supplier shall provide test samples of Goods or any parts or materials embedded therein. Rieter Components Germany GmbH shall minimize the

disruption to Supplier's production and operating processes, take reasonable account of the supplier's business secrets and comply with statutory data protection requirements

- 6.4. If the result of such an inspection causes Rieter Components Germany GmbH to be of the reasonable opinion that Supplier is in breach of the Agreement, Rieter Components Germany GmbH shall inform Supplier thereof, and Supplier shall immediately take at its own expense such action as is necessary to ensure conformity with the Agreement and immediately remedy the deficiency. In addition, upon request by Rieter Components Germany GmbH Supplier shall carry out additional inspections at Supplier’s cost. Rieter Components Germany GmbH’s cost associated with the first and additional inspections shall be for Supplier’s account. This shall not apply if Supplier is not responsible for non-compliance with the Agreement.

## 7. Warranty, Period of Limitation

- 7.1. Supplier warrants that at the time of transfer of risk the Goods (i) comply with the Agreement, the applicable laws and regulations as well as the requirements from Rieter Components Germany GmbH, including, but not limited to, specifications, quality standards, instructions, and documentation, or, in the absence thereof, are provided or performed in accordance with generally accepted practices, procedures and standards of the respective industry, (ii) are fit for their intended use and merchandisable, (iii) are free from defects in design, material and workmanship, (iv) do not infringe rights of third parties, (v) are new and unused at the date of Delivery, (vi) comply with samples approved by Rieter Components Germany GmbH (if any), and (vii) are not encumbered in any form by rights of third parties (pledge, ownership, co-ownership, joint ownership, etc.).
- 7.2. Normal wear and tear, non-compliance by Rieter Components Germany GmbH with the written maintenance instructions provided by Supplier to Rieter Components Germany GmbH prior to Delivery of Goods, and repairs or alterations carried out by Rieter Components Germany GmbH or any third party on behalf of Rieter Components Germany GmbH without Supplier’s prior consent, are excluded from Supplier’s warranty.
- 7.3. Supplier warrants that the Documentation complies with the Agreement and the applicable laws and regulations.
- 7.4. Supplier warrants that the Services (i) comply with the Agreement, applicable laws and regulations as well as the communicated requirements from Rieter Components Germany GmbH, including, but not limited to, specifications, quality standards, instructions, and documentation, or, in the absence thereof, are provided or performed in accordance with generally accepted practices, procedures and standards of the respective industry, (ii) are performed using high care and skill, and (iii) do not infringe rights of third parties.
- 7.5. Supplier warrants that it will take all prudent steps in accordance with good industry standards to avoid introducing any computer virus, trojan, root kit, spyware, malware, or other undisclosed or unauthorized software, whether knowingly or not, into any Goods or by providing any Services.
- 7.6. If any third party warranties, representations, undertakings, conditions, guarantees, or other terms relating to the quality, composition, procurement, processing, sourcing or rights (whether express or implied) associated with any Goods or Services (“OEM Warranty”) are such that warranty or equivalent protection would extend beyond the term of any warranty or equivalent given by Supplier or extend beyond the scope of any such warranty or equivalent, Supplier shall ensure that Rieter Components Germany GmbH will receive the benefit of that OEM Warranty.
- 7.7. If not otherwise stated in the Agreement, the warranty period for Goods shall elapse (i) 24 months from the date when Rieter Components Germany GmbH’s customer has finally accepted the Goods or Rieter Components Germany GmbH’s product in which the Goods are embedded, or (ii) 36 months upon Delivery, whichever occurs first. For repaired or replaced Goods the warranty period shall always restart for 18 months from successful repair or replacement or be the remaining warranty

- period of the original warranty period if the remaining warranty period is longer. If the defective Goods have been used for a building in accordance with their normal use and have caused its defectiveness or if it is a defect in a building, the limitation period is 5 years
- 7.8. If during the warranty period stated in clauses 7.7 and during a period of 60 months after the end of the warranty period, repetitive defects of the same type or root cause are discovered in Goods ("Serial Defect"), then Rieter Components Germany GmbH may at its sole discretion (i) require Supplier to investigate all possibly affected Goods and to replace or repair all such Goods within a reasonable time, (ii) require Supplier to propose a remediation plan within 3 calendar days, or (iii) propose any other corrective action satisfactory to Rieter Components Germany GmbH. In the event Rieter Components Germany GmbH elects Supplier to repair or replace Goods due to a Serial Defect, the Supplier is obliged to repair or replace all the same components including the parts previously unaffected, unless the Supplier can provide sufficient evidence that only a certain batch is concerned. Any costs relating to a Serial Defect shall be borne by Supplier and include, without limitation, costs of removal, dismantling, assembly and installation, costs of transport, costs for remedying all damages caused to equipment as a result of remedial action, and downtime costs of Rieter Components Germany GmbH's customers.
- 7.9. If Supplier fails to carry out the replacements or repairs or to propose a remediation plan or other corrective action satisfactory to Rieter Components Germany GmbH within the agreed or reasonable period, then Rieter Components Germany GmbH, its customers or the respective owner of Goods may carry out appropriate corrective actions themselves, or through third parties, and recover from Supplier the reasonable costs incurred in connection with the performance of such actions, including reasonable expenses related to administration and handling. Further claims of Rieter Components Germany GmbH remain unaffected.
- 7.10. If Supplier refuses a warranty claim, it shall perform an appropriate root cause analysis ("Supplier Analysis") of the allegedly defective Goods at its own costs and provide Rieter Components Germany GmbH with the test results within 20 calendar days after receipt of the warranty claim.
- 7.11. Especially if the test results of the Supplier Analysis do not confirm a defect of the defective Goods, Rieter Components Germany GmbH may perform or have performed its own root cause analysis ("Rieter Components Germany GmbH Analysis") of the allegedly defective Goods at its costs and provide Supplier with the test results within 20 calendar days after receipt of the Supplier Analysis. If requested by Rieter Components Germany GmbH, Supplier shall grant Rieter Components Germany GmbH access to sites, information and people reasonably required by Rieter Components Germany GmbH to perform the Rieter Components Germany GmbH Analysis. Clause 6.3 shall apply accordingly.
- 7.12. If the result of the Rieter Components Germany GmbH Analysis is not the same compared to the result of the Supplier Analysis and Supplier does not accept the Rieter Components Germany GmbH Analysis, either Party, on behalf of both Parties, may request a third party mutually agreed between the Parties, to appoint an independent and recognized expert in the relevant field ("Expert") to conduct an analysis ("Expert Analysis") of the allegedly defective Goods. If requested by the Expert, the Parties shall grant the Expert access to sites, information and people reasonably required by the Expert to perform the Expert Analysis. The finding of the Expert is binding upon both Parties. The costs of the Expert shall be paid by the Party who requested the Expert Analysis, subject to full reimbursement of such Party if such Party's position prevails upon the finding of the Expert.
- 7.13. Despite warranty claims (including, without limitation, during an ongoing Supplier Analysis or Rieter Components Germany GmbH Analysis) or other breaches of the Agreement or applicable law, Supplier shall continue to deliver the affected Goods to Rieter Components Germany GmbH if not otherwise communicated by Rieter Components Germany GmbH.
- 7.14. In case of a breach of the warranty obligations set forth herein, Rieter Components Germany GmbH shall be entitled to enforce the remedies provided in clause **Fehler! Verweisquelle konnte nicht gefunden werden.**
- 8. Claims for Defects and Legal Remedies for other Breaches**
- 8.1. Rieter Components Germany GmbH must notify Supplier of obvious (recognized or recognizable) defects immediately after delivery of the Goods and of hidden defects immediately after their discovery. The notification is deemed to be immediate if it is made within 2 weeks of delivery in the case of obvious defects and within 2 weeks of their discovery in the case of hidden defects. In the case of deliveries consisting of a large number of identical Goods, Rieter Components Germany GmbH must inspect a reasonable quantity of the delivered Goods for defects. If the Goods become unsaleable as a result of the inspection, the quantity to be inspected shall be reduced to a reasonable extent. If individual samples of a delivery are defective, Rieter Components Germany GmbH may, at its own discretion, demand that the defective items be sorted out by Supplier or assert claims for defects in accordance with the law in respect of the entire delivery. If, as a result of defects in the Goods, it becomes necessary to inspect the Goods beyond the usual scope of the incoming inspection, Supplier shall bear the costs of this inspection. In the event of delay or loss of the notification, timely dispatch shall suffice.
- 8.2. In the event of defects in the Goods, Rieter Components Germany GmbH shall be entitled, without prejudice to the statutory claims for defects, to demand, at its own discretion, either immediate rectification of the defects or delivery of goods free of defect by Supplier. Supplier shall be responsible for all costs incurred by either Party in carrying out the supplementary performance, including but not limited to the costs of transport, removal, reinstallation, work on site or at the location where the defective goods are located, disposal of materials, accommodation and catering. This shall also apply if the Goods have been moved after delivery to a location other than the delivery address specified by Rieter Components Germany GmbH in accordance with their intended use. Rieter Components Germany GmbH shall be given priority and Supplier shall take all steps satisfactory to Rieter Components Germany GmbH to enable subsequent performance within a reasonable time, such as, but not limited to, night work, overtime, weekend work, work on public holidays, air freight and postponement of holidays.
- 8.3. If Supplier fails to fulfil his obligation of subsequent performance within a reasonable period set by Rieter Components Germany GmbH, Rieter Components Germany GmbH may carry out the necessary measures itself or have them carried out by a third party at the expense and risk of Supplier, unless Supplier is not responsible for the absence of the performance owed upon expiry of the grace period. In particular, the setting of a deadline is dispensable if Supplier refuses both types of subsequent fulfilment or if subsequent fulfilment has failed or is unreasonable for Rieter Components Germany GmbH. Subsequent fulfilment is unreasonable for Rieter Components Germany GmbH in particular if Rieter Components Germany GmbH has already delivered the defective goods to third parties. Furthermore, the setting of a deadline is not required if Supplier seriously and finally refuses performance or if there are special circumstances which, taking into account the interests of both Parties, justify the immediate assertion of the claim for defects. Special circumstances exist in particular in urgent cases in which subsequent fulfilment by Supplier is unlikely to eliminate the imminent disadvantage to Rieter Components Germany GmbH. If there is no need to set a deadline, Rieter Components Germany GmbH is entitled to take the necessary measures at the expense and risk of Supplier even without the unsuccessful expiry of a reasonable grace period, provided that Rieter Components Germany GmbH notifies Supplier of this. Further claims and rights of Rieter Components Germany GmbH remain unaffected.

- 8.4. The acceptance of the Goods as well as the processing, payment and reordering of Goods that have not yet been recognized and reported as defective shall not constitute approval of the delivery or a waiver of claims for defects by Rieter Components Germany GmbH.
- 8.5. If Supplier breaches an obligation other than the obligation to deliver Goods free of defect, Rieter Components Germany GmbH may also demand compensation for the resulting damage in accordance with the law. This shall not apply if Supplier is not responsible for the breach of duty. Furthermore, Rieter Components Germany GmbH may withdraw from the Agreement in accordance with the law in the event of such a breach of duty. Further claims and rights of Rieter Components Germany GmbH remain unaffected.
- 9. Intellectual Property**
- 9.1. The term "Intellectual Property (Rights)" means patents, utility models, designs, trade names, trademarks, copyrights, software, know-how, trade secrets, drawings, discoveries, inventions, technical information, procedures, manufacturing or other processes, and any other intellectual property, and all rights, applications, improvements, modifications, or enhancements to the foregoing.
- 9.2. The Parties acknowledge and agree that all Intellectual Property created or owned by or licensed to a Party prior to the effective date or outside of the scope of the Agreement, and any subsequent modifications to the same ("Pre-Existing Intellectual Property"), exclusively vest in such Party or the third party.
- 9.3. Supplier hereby acknowledges that the Intellectual Property owned by Rieter Components Germany GmbH or any of its Affiliates ("Rieter Components Germany GmbH Intellectual Property (Rights)") are the sole and exclusive property of Rieter Components Germany GmbH or its Affiliates and agrees to use the Rieter Components Germany GmbH Intellectual Property only for the exclusive purpose of manufacturing and supplying the Goods or providing the Services to Rieter Components Germany GmbH under the Agreement, and not to use or appropriate it for its own benefits or for any other purpose. Supplier shall establish an effective system and process to the satisfaction of Rieter Components Germany GmbH to ensure that the Rieter Components Germany GmbH Intellectual Property Rights are protected from any unauthorized use, disclosure, or infringement.
- 9.4. Supplier hereby grants to Rieter Components Germany GmbH, its customers, and all users, or shall have procured that they are granted hereby, a worldwide, irrevocable, perpetual, transferable, non-exclusive, and royalty-free license to use the Intellectual Property owned by Supplier or any of its Affiliates including, if required by Rieter Components Germany GmbH, any Pre-Existing Intellectual Property of Supplier or any of its Affiliates ("Supplier Intellectual Property (Rights)") in relation to Goods and Services. In particular, this license pertaining to Supplier Intellectual Property includes, without limitation, the right (i) to service, maintain, develop, and modify the Goods or Services or any part thereof and any material used in connection therewith, and (ii) to have the Goods or Services supplied by third parties. The Supplier undertakes to maintain the Supplier's Intellectual Property (Rights).
- 9.5. In the event Embedded Software or any part thereof is owned by a third party, Supplier shall procure for Rieter Components Germany GmbH, its customers, and all users, a worldwide, irrevocable, perpetual, transferable, non-exclusive, and royalty-free license from such third party before Delivery and procure to maintain such licenses for the lifetime of the Embedded Software.
- 9.6. Supplier hereby grants to Rieter Components Germany GmbH a worldwide, irrevocable, perpetual, transferable, non-exclusive, and royalty-free license to use text, illustrations, photos, graphics, and other content contained in the Documentation (as defined in clause 5.2) to create Rieter Components Germany GmbH's own documentation for Goods or Services, which documentation may be used by Rieter Components Germany GmbH without any restriction and without reference to the source.
- 9.7. Supplier hereby assigns, or will assign upon request from Rieter Components Germany GmbH, to Rieter Components Germany GmbH full ownership rights in and to any Intellectual Property in the Work Results for the full duration of such rights, wherever in the world enforceable. Supplier agrees to (i) execute and provide upon Rieter Components Germany GmbH's request and at Supplier's cost all further documents and assignments reasonably required by Rieter Components Germany GmbH to freely use the Intellectual Property in the Work Results, and (ii) undertake all further actions as may be necessary to perfect Rieter Components Germany GmbH's ownership in the Intellectual Property in the Work Results or to register Rieter Components Germany GmbH as owner of the Intellectual Property in the Work Results with any registry. Supplier hereby expressly waives its right to be named as author or creator of any Intellectual Property in the Work Results. Moreover, Supplier shall ensure through written agreements that its Affiliates and any third party engaged in the performance of the Agreement waive this right.
- 9.8. All Intellectual Property newly created by Supplier or any of its Affiliates in the performance of the Agreement that are incorporated into the Goods or related to manufacturing processes or the Services ("Newly Created Intellectual Property (Rights)") exclusively vest in Rieter Components Germany GmbH. Supplier hereby assigns or will assign upon request from Rieter Components Germany GmbH full ownership rights in and to any Newly Created Intellectual Property (Rights) for the full duration of such rights, wherever in the world enforceable. Supplier agrees to (i) execute or provide upon Rieter Components Germany GmbH's request and at Supplier's cost all further documents and assignments reasonably required by Rieter Components Germany GmbH to freely use the Newly Created Intellectual Property (Rights), and (ii) undertake all further actions as may be necessary to perfect Rieter Components Germany GmbH's ownership in Newly Created Intellectual Property (Rights) or to register Rieter Components Germany GmbH as owner of Newly Created Intellectual Property (Rights) with any registry. Supplier hereby expressly waives its right to be named as author or creator of any Newly Created Intellectual Property (Rights). Moreover, Supplier shall ensure through written agreements that its Affiliates and any third party engaged in the performance of the Agreement waive this right.
- 9.9. If the Goods or Services infringe or are alleged to infringe Intellectual Property Rights of a third party, Supplier shall, at its expense and risk, indemnify, hold harmless, and defend Rieter Components Germany GmbH and its Affiliates against any third party claim relating to such (alleged) infringement of Intellectual Property Rights. Rieter Components Germany GmbH may provide support to Supplier to the extent reasonably requested by Supplier, provided that Supplier has agreed in advance in writing to compensate Rieter Components Germany GmbH for all costs to be incurred by Rieter Components Germany GmbH in connection with such support. Supplier shall compensate Rieter Components Germany GmbH for all costs (including legal and other professional costs and expenses), liabilities, penalties, interests, expenses, damages, and losses arising out of the (alleged) infringement of the Intellectual Property Rights of a third-party. Supplier's obligation to indemnify and bear the costs shall not apply if Supplier is not responsible for the infringement of the Intellectual Property Rights of the third-party.
- 9.10. If any infringement claim related to Goods or Services is made against Rieter Components Germany GmbH, Supplier shall at its cost, but at Rieter Components Germany GmbH's discretion, immediately (i) procure for Rieter Components Germany GmbH the right to continue using Goods, (ii) modify Goods so that they cease to be infringing while maintaining the functionality and conformity with its specifications, or (iii) replace Goods with goods of same functionality and conformity or re-perform Services so that they become non-infringing.
- 10. Compliance with Applicable Laws and Regulations**

- 10.1. Supplier shall provide the Goods and Services in compliance with all applicable laws and regulations, codes of practice, guidance, and other requirements of any relevant government or governmental agency. To the extent that such requirements are advisory rather than mandatory, the standard of compliance to be achieved by Supplier shall be in accordance with the generally accepted best practice of the relevant industry.
  - 10.2. Supplier agrees that it has all appropriate permits, licenses, and authorizations to manufacture and supply the Goods and provide the Services to Rieter Components Germany GmbH.
  - 10.3. Supplier agrees to comply always with the latest version of the Supplier Code of Conduct available on the following website: <https://www.Rieter Components Germany GmbH.com>.
  - 10.4. The Parties are aware that the Goods and Services to be provided under the Agreement may be subject to laws and regulation concerning trade control ("Trade Control Laws") that require authorization from the competent export control authority. Supplier warrants that it will comply with any export or re-export requirement or restriction imposed by any jurisdiction that applies to Goods or Services under the Agreement. Moreover, Supplier warrants that it will not supply, export or re-export any Goods, provide Services, technical documentation, technology, or know-how received to any country subject to such requirements or restrictions without the necessary license or authorization. Supplier shall inform Rieter Components Germany GmbH immediately in writing when the supply of any Goods or provision of Services under the Agreement is or becomes subject to Trade Control Laws.
  - 10.5. Supplier shall disclose to Rieter Components Germany GmbH in writing all potentially hazardous or chemical substances in any Goods. Supplier shall furnish Rieter Components Germany GmbH with copies of all applicable material safety data sheets and provide any appropriate special handling instructions for Goods no later than 10 calendar days prior to the date of Delivery of Goods. Supplier warrants that the Goods are free of asbestos, except to the extent that asbestos is communicated by Supplier to Rieter Components Germany GmbH prior to Delivery of Goods and accepted by Rieter Components Germany GmbH in writing.
  - 10.6. Both Parties represent that each will not, directly or indirectly, and that each has no knowledge that the other Party or any third parties will, directly or indirectly, make any payment, gift or other commitment to its customers, to government officials, or to agents, representatives and employees of each Party, or any other party in a manner contrary to applicable laws (including but not limited to, if applicable, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and, where applicable, legislation enacted by member states and signatories implementing the OECD Convention Combating Bribery of Foreign Officials), and shall comply with all relevant laws, regulations, ordinances, and rules regarding (anti-)bribery and corruption. Nothing in the Agreement shall render either Party or any of its Affiliates liable to reimburse the other for any such consideration given or promised.
  - 10.7. Rieter Components Germany GmbH and its Affiliates process information relating to identified or identifiable individuals ("Personal Data") in accordance with the principles set out in the Rieter Components Germany GmbH privacy statement on the following website: <https://www.Rieter Components Germany GmbH.com>. Supplier shall inform its concerned representatives, officers, employees, and other individuals engaged by Supplier about these processing principles. Supplier warrants that it is capable to adequately react and take appropriate measures in case of an information security incident. Supplier shall report information security incidents affecting information relating to Rieter Components Germany GmbH, Rieter Components Germany GmbH's Affiliates or representatives, officers, employees of Rieter Components Germany GmbH or Rieter Components Germany GmbH's Affiliates within 48 hours to Rieter Components Germany GmbH. Such reports shall set out reasonable particulars of the relevant incident including the measures taken or envisaged to remedy the negative impact of such incident and to prevent further incidents of the same and similar nature in the future. Supplier shall apply appropriate physical, technical, and organizational measures to ensure a level of security of Personal Data appropriate to the respective risk and the ability to ensure the ongoing confidentiality, integrity, availability and resilience of processing systems and services. Supplier acknowledges that the processing of Personal Data may require the conclusion of additional data processing or data protection agreements with Rieter Components Germany GmbH or its Affiliates. To the extent such additional agreements are not initially concluded, Supplier, its relevant Affiliates or subcontractors shall upon Rieter Components Germany GmbH's request promptly enter into any such agreement(s), as designated by Rieter Components Germany GmbH and as required by mandatory law or a competent data protection or other competent authority.
  - 10.8. Supplier represents to establish and maintain a human rights due diligence process appropriate to its size and circumstances to identify, prevent, mitigate, and account for how Supplier addresses the impacts of its activities on the human rights of individuals directly or indirectly affected by their supply chains, consistent with the 2011 United Nations Guiding Principles on Business and Human Rights. Such human rights due diligence shall be consistent with guidance from the Organization for Economic Cooperation and Development for the applicable party's sector, or, if no such sector-specific guidance exists, shall be consistent with the 2018 OECD Due Diligence Guidance for Responsible Business Conduct.
  - 10.9. Supplier shall use best efforts to achieve at its cost, and support at its cost Rieter Components Germany GmbH in its endeavors to achieve, the goals set by the EU Corporate Sustainability Reporting Directive (CSRD) and the Greenhouse Gas Protocol (GGP). In particular, Supplier shall use best efforts to switch at its cost entirely to renewable energy sources for heating and cooling its and its Affiliates' facilities latest by January 1, 2030. Moreover, Supplier shall provide to Rieter Components Germany GmbH within a reasonable time set by Rieter Components Germany GmbH a roadmap to achieve the goals under scope 1 and scope 2 of the GGP and a plan to achieve the goals under scope 3 of the GGP.
  - 10.10. Supplier agrees to provide Rieter Components Germany GmbH with such assistance and cooperation which is requested by Rieter Components Germany GmbH to enable Rieter Components Germany GmbH and Rieter Components Germany GmbH's customers to fully comply with applicable laws and regulation. In case of breach of clause 10 by Supplier, Rieter Components Germany GmbH may after the unsuccessful expiry of a reasonable period of time set to remedy the situation, terminate or withdraw from the Agreement in whole or in part.
- 11. Confidentiality**
- 11.1. Until the expiry of 5 years after delivery of the Goods or provision of the Service Supplier shall keep in strict confidence any and all information, data or material, either designated as confidential or which are in fact of confidential or non-public nature, disclosed or made available to Supplier and its Affiliates by Rieter Components Germany GmbH and its Affiliates, irrespective of whether such information, data or material relates to Rieter Components Germany GmbH, its Affiliates, or any third party, including, but not limited to, all drawings, specifications, documentations, inventions, processes, business concepts, business information or technical or commercial know-how (collectively "Confidential Information").
  - 11.2. Supplier shall apply appropriate safeguards, adequate to the type of Confidential Information to be protected, against the unauthorized access or disclosure of Confidential Information, particularly when processing Confidential Information with artificial intelligence, and protect such Confidential Information in accordance with the generally accepted standards of protection in the related industry, or in the same manner and to the same degree that it protects its own confidential and non-public information, whichever standard is higher.
  - 11.3. Supplier shall restrict disclosure of Confidential Information to such of its Affiliates, employees, agents, and subcontractors who

- need to know the same for the fulfillment of the Agreement, or if they need to reproduce Confidential Information in whole or in part in any form as may be required by the respective contractual documents. Supplier shall ensure that such employees, agents, and subcontractors are subject to and comply with at least the same stringent obligations of confidentiality as applicable to Supplier. In case the type of Confidential Information affected is particularly sensitive and therefore, according to Rieter Components Germany GmbH's opinion, requires a separate confidentiality agreement, Supplier agrees to enter into such agreement.
- 11.4. The duty of confidentiality shall not apply to Confidential Information for which Supplier can produce evidence showing that (i) it was already known to Supplier prior to the time of disclosure by Rieter Components Germany GmbH or notice by Supplier, (ii) it is or has become generally known through publication or by other means through no fault or action of Supplier, (iii) it was disclosed to Supplier by a third party, which has no respective duty of confidentiality towards Rieter Components Germany GmbH, or (iv) must be disclosed under mandatory law or a binding court decision.
- 11.5. Upon request and at Rieter Components Germany GmbH's sole discretion Supplier shall immediately, at Supplier's expense, either return to Rieter Components Germany GmbH all Confidential Information or destroy all Confidential Information and certify complete destruction to Rieter Components Germany GmbH.
- 12. Liability**
- 12.1. Supplier shall be jointly and severally liable with its Affiliates for all obligations and liabilities arising out of or in connection with the Agreement. In addition, Supplier shall be jointly and severally liable for any acts or omissions of Supplier's or its Affiliates' representatives, officers, employees, agents, and subcontractors.
- 12.2. Rieter Components Germany GmbH shall be liable without limitation for damages resulting from the breach of a guarantee or from injury to life, body or health. The same applies to intent and gross negligence or insofar as Rieter Components Germany GmbH has assumed a procurement risk. Rieter Components Germany GmbH shall only be liable for slight negligence if material obligations are breached which arise from the nature of the Agreement and which are of particular importance for the fulfillment of the purpose of the Agreement. In the event of a breach of such obligations, default and impossibility, Rieter Components Germany GmbH's liability shall be limited to such damages as are typically to be expected in the context of this Agreement. Mandatory statutory liability for product defects remains unaffected.
- 12.3. Insofar as Rieter Components Germany GmbH's liability is excluded or limited, this shall also apply to the personal liability of Rieter Components Germany GmbH's employees, workers, staff, representatives and vicarious agents
- 13. Insurance**
- 13.1. Supplier shall maintain, and shall procure that its Affiliates maintain, a comprehensive general and product liability insurance with worldwide coverage (including USA and Canada) covering bodily injury, property damage, assembly, and disassembly costs (retrofit), and the financial losses arising therefrom with a reputable and financially sound insurer. Supplier's and its Affiliates' insurance coverage shall be no less than the equivalent of CHF 10 million per occurrence.
- 13.2. If requested, Supplier shall provide to Rieter Components Germany GmbH without delay a certificate of insurance evidencing the coverages required under clause 13.1.
- 13.3. Supplier shall inform Rieter Components Germany GmbH reasonably in advance in writing of any non-renewal, cancellation, or other changes in Supplier's or its Affiliates' insurance coverages.
- 13.4. Such insurance coverages do not relieve Supplier from any of its contractual obligations or liabilities.
- 13.5. If the Supplier does not comply with the requirements set out in clause 13, Rieter Components Germany GmbH may terminate or withdraw from the Agreement after the unsuccessful expiry of a reasonable period set for remedial action.
- 14. Quality**
- 14.1. Supplier is aware that Rieter Components Germany GmbH's products are used 24 hours a day in demanding conditions and that consequently all materials provided, and work performed by Supplier must be of a high and fault-free quality.
- 14.2. Supplier shall follow the production methods, quality assurances, and other instructions set out in the QAA, or, if no QAA is agreed between the Parties, comply with those quality requirements that are common or recognized in the relevant industry of Supplier for the Goods.
- 14.3. Supplier shall comply with ISO 9001 and – if applicable – with ISO 14001, or equivalent rules.
- 15. Competitiveness**
- 15.1. If Rieter Components Germany GmbH has received an offer from another supplier who is able to supply goods that are compatible with Goods and which are of similar or better quality than the Goods or show similar or better functionality than the Goods, and in addition are at Rieter Components Germany GmbH's sole discretion more favorable for Rieter Components Germany GmbH regarding price or other commercial terms than the Goods, Rieter Components Germany GmbH shall inform Supplier about any such offer without disclosing the identity of the supplier. Rieter Components Germany GmbH shall describe the commercial details of the offer to Supplier and Supplier shall establish an action plan to match the offer of the other supplier within 15 calendar days from receipt of Rieter Components Germany GmbH's request. Such action plan shall also demonstrate the cost effectiveness of each individual measure. Rieter Components Germany GmbH shall review the action plan and propose improvements, if any. If Rieter Components Germany GmbH is of the view that Supplier's action plan will not result in a match of the commercial conditions of the other supplier within a reasonable time, Rieter Components Germany GmbH may terminate the Agreement in accordance with the GTC. If the Parties agree on the action plan, they shall establish an implementation plan. The time for implementation shall not exceed 6 months from the Parties' agreement on the action plan. If Supplier does not comply with the implementation plan Rieter Components Germany GmbH may terminate the Agreement in whole or in part in accordance with the GTC.
- 16. Production Tools**
- 16.1. In case Rieter Components Germany GmbH provides Supplier with production tools, models, drawings, documentations, raw materials, supplies, testing equipment, or other tools or materials ("Production Tools") for the manufacturing of Goods, such Production Tools shall always entirely remain the property of Rieter Components Germany GmbH. Rieter Components Germany GmbH shall provide a list of such Production Tools to the Supplier. At the sole discretion of Rieter Components Germany GmbH, Rieter Components Germany GmbH may make an inventory of the Production Tools at Supplier's sites at any time during regular local working hours, and Supplier shall assist Rieter Components Germany GmbH in making such inventory and provide access to the relevant people, information, and facilities. If Supplier passes on the Production Tools to a third party with Rieter Components Germany GmbH's prior written consent, Supplier shall ensure that Rieter Components Germany GmbH can also exercise the aforementioned rights against the third party.
- 16.2. Supplier shall, at its own expense, be responsible for the regular maintenance and servicing of the Production Tools as well as for the proper storage and marking of them so that it can at any time easily be shown that the Production Tools are the property of Rieter Components Germany GmbH. Moreover, Supplier shall, at its own expense, prevent the Production Tools from any deterioration in condition or disappearance and insure them



- adequately. Supplier shall comply with instructions regarding Production Tools given by Rieter Components Germany GmbH.
- 16.3. Supplier shall not be liable for normal wear and tear of the Production Tools. Rieter Components Germany GmbH shall, at its own expense, repair or replace, or instruct Supplier to repair or replace based on instructions given by Rieter Components Germany GmbH, any worn Production Tools.
- 16.4. Without prior consent of Rieter Components Germany GmbH, Supplier may neither use the Production Tools for purposes other than manufacturing Goods for Rieter Components Germany GmbH, nor make the Production Tools available to third parties.
- 17. Technical Support**
- 17.1. Upon Rieter Components Germany GmbH's request, Supplier shall promptly provide to Rieter Components Germany GmbH free of charge (i) first level technical support to solve minor issues relating to Goods, or (ii) engineering or consultancy service support.
- 17.2. If Rieter Components Germany GmbH requires technical support to solve major issues relating to Goods, Supplier shall provide to Rieter Components Germany GmbH at discounted rates compared to standard market rates (except in case of a breach of warranty which support from Supplier is always free of charge to Rieter Components Germany GmbH) second level technical support using people with adequate experience and skills as well as in-depth training in technical support and troubleshooting.
- 18. Suspension**
- 18.1. Rieter Components Germany GmbH has the right to suspend performance of the Agreement or any part thereof for convenience at any time upon notice to Supplier for an aggregate period of 60 calendar days without any liability to Supplier.
- 18.2. If Rieter Components Germany GmbH suspends performance of the Agreement or any part thereof for more than 60 calendar days in aggregate, and the decision of Rieter Components Germany GmbH to suspend the Agreement or any part thereof was not influenced by Supplier's fault or breach of the Agreement, then Supplier shall be entitled to receive a compensation from Rieter Components Germany GmbH only for the reasonably incurred costs regarding required external storage and additional insurance. If Rieter Components Germany GmbH suspends performance of the Agreement or any part thereof and the decision of Rieter Components Germany GmbH to suspend was significantly influenced by the behavior of a customer of Rieter Components Germany GmbH, then Supplier will only be entitled to receive compensation in accordance with the preceding sentence in the amount in which such customer will pay Rieter Components Germany GmbH for such suspension. Under the circumstances set out in this clause and if reasonably required by Supplier, the agreed date for Delivery of the affected Goods or the provision of the affected Services will be extended by a maximum of the suspension period.
- 18.3. If Rieter Components Germany GmbH suspends performance of the Agreement or any part thereof for more than 60 calendar days in aggregate, and the decision of Rieter Components Germany GmbH to suspend was significantly influenced by Supplier's fault or breach of the Agreement, Supplier shall bear all costs incurred by Supplier and be liable towards Rieter Components Germany GmbH for any damages caused by such suspension.
- 18.4. During any suspension Supplier shall properly store, insure, and protect the Goods and ensure that the condition of the Goods does not deteriorate.
- 19. Force Majeure**
- 19.1. The term "Force Majeure" means an event that (i) was not foreseeable by the defaulting Party at the date of conclusion of the Agreement, (ii) beyond reasonable control of the defaulting Party, and (iii) for which occurrence or continuation the defaulting Party is not responsible. Strikes and lockouts involving personnel of a Party or a Party's subcontractors do under no circumstances constitute events of Force Majeure.
- 19.2. Neither Party shall be liable for failure to perform its obligations under the Agreement if such failure results from an event of Force Majeure, provided the defaulting Party has used best efforts to minimize or overcome the adverse impact of the event of Force Majeure, and has provided written notice to the other Party without delay from occurrence of the event of Force Majeure. The defaulting Party shall as soon as reasonably possible provide to the other Party supporting evidence issued by the local chambers of commerce or similar recognized institution and propose an action plan to mitigate the adverse impact of the event of Force Majeure on the other Party. The defaulting Party shall update the other Party in writing on any material developments concerning an event of Force Majeure. Each Party shall fulfil its contractual obligations insofar as they have become due before the occurrence of an event of Force Majeure. Compliance with this clause is a condition precedent to the defaulting Party's ability to rely upon an event of Force Majeure.
- 19.3. Upon the cessation of an event of Force Majeure, the defaulting Party shall immediately notify the other Party in writing of such fact and shall use best efforts to promptly resume normal performance of its contractual obligations.
- 19.4. If an event of Force Majeure exceeds 30 calendar days, the non-defaulting Party may at any time terminate the Agreement in without liability to the defaulting Party.
- 20. Termination and Effects of Termination**
- 20.1. Rieter Components Germany GmbH may terminate the Agreement or any part thereof at any time with immediate effect upon notice if the financial circumstances of Supplier change significantly or (ii) if the justified application of a third party to open insolvency or comparable proceedings against the assets of Supplier is rejected for lack of assets.
- 20.2. Rieter Components Germany GmbH may terminate the Agreement or any part thereof at any time with immediate effect upon notice to Supplier if Supplier commits a material breach of contract including, without limitation, a breach of clauses 3.6, 3.7, **Fehler! Verweisquelle konnte nicht gefunden werden.**, 8.2, 10.10, 13.5, 15.1 or 19.4, and has failed or been unable to cure such breach or has failed to give adequate assurances of performance within a reasonable period after receiving a notice from Rieter Components Germany GmbH to remedy the breach of contract. The reasonable period shall not exceed 10 calendar days. Rieter Components Germany GmbH's further rights of cancellation and termination remain unaffected.
- 20.3. Each Party shall, in good faith, undertake commercially reasonable efforts to mitigate the costs of termination. Supplier shall make best efforts to cancel all relevant component and material purchase orders or allocate such components and material for other customer orders.
- 20.4. In the event of termination Rieter Components Germany GmbH shall pay to Supplier the already delivered but unpaid Goods and the already provided but unpaid Services at the time the termination takes effect, provided that such Goods and Services comply with the Agreement. Supplier shall refund to Rieter Components Germany GmbH any monies received from Rieter Components Germany GmbH which exceeds the payment corresponding to such Goods and Services and shall, unless Rieter Components Germany GmbH communicates otherwise, cancel or use at its sole cost and risk in accordance with clause 20.3 all Goods, components, and parts and Services not yet provided. No further monies shall be due to Supplier.
- 20.5. Termination of the Agreement is without prejudice to Rieter Components Germany GmbH's rights to claim penalties and damages under this Agreement, at law, or in equity.
- 20.6. The provisions of the Agreement which either are expressed to survive termination, or from their nature or context it is contemplated that they are to survive termination, shall remain in full force and effect notwithstanding termination of the Agreement including, without limitation, the clauses in the GTC



about warranty, remedies, intellectual property, confidentiality, liability, indemnity, effects of termination, and governing law and jurisdiction.

**21. Governing Law and Jurisdiction**

- 21.1. The Agreement and any dispute arising out of or in connection with the Agreement are governed by and construed in accordance with the laws of Germany, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 21.2. If a dispute arises out of or in connection with the Agreement, either Party may give to the other Party written notice of such dispute, together with relevant supporting documentation. Upon delivery of the written notice, the Parties shall attempt in good faith to resolve the dispute; provided, however, that if the Parties are for any reason unable to resolve the dispute within 30 calendar days since delivery of the written notice, either Party may initiate proceedings in accordance with clause 21.3.
- 21.3. Any dispute, controversy, or claim arising out of, or in relation to, the Agreement, including, without limitation, the validity, invalidity, breach, or termination thereof, shall be submitted to the exclusive jurisdiction of the ordinary courts at Rieter Components Germany GmbH's registered office. Arbitration clauses are rejected.

**22. Miscellaneous**

- 22.1. The Agreement reflects the entire agreement and understanding of the Parties in respect of the subject matter and supersedes all prior discussions and agreements relating thereto.
- 22.2. The relationship between the Parties is that of independent contractors. The Parties are not deemed to be agents or partners, nor are they engaged in a joint venture for any purpose because of the Agreement. The Agreement does not imply any employment relationship between Rieter Components Germany GmbH (or any Affiliate of Rieter Components Germany GmbH) and Supplier, or between Rieter Components Germany GmbH (or any Affiliate of Rieter Components Germany GmbH) and Supplier's employees assigned to the execution of the Agreement.
- 22.3. Each Party shall, at its sole expense, execute and do, or procure the execution and doing of, all such deeds, documents, acts, and things as may be necessary or appropriate to carry out the purposes and the implementation of the Agreement.
- 22.4. Amendments to the GTC, including this clause, shall be made in writing and signed by duly authorized representatives of each Party. Amendments to the Order shall be made in writing. The terms "in writing", "written", and similar expressions used in the Agreement shall mean a communication in physical, printable, or system generated form, exchanged in person, by file transfer protocol (FTP), email, mail, or fax.
- 22.5. Rieter Components Germany GmbH may at its sole discretion at any time delegate, transfer, or assign its rights and obligations under the Agreement to any of its Affiliates. Except as otherwise expressly provided herein, the Parties agree that their rights and obligations under the Agreement shall not be delegated, transferred, or assigned to a third party without the prior consent of the other Party, which consent shall not unreasonably be withheld, delayed, or conditioned. The Agreement shall be binding upon and inure to the benefit of the Parties and their successors and assigns.
- 22.6. If any provision of the Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect without said provision. In such event, the Parties shall in good faith negotiate a substitute clause for the provision declared invalid or unenforceable, which shall most nearly approximate the intent of the Parties in entering into the Agreement.
- 22.7. The failure of a Party to enforce any provision of the Agreement shall not be construed to be a waiver of the right of such Party to thereafter enforce that provision or any other provision or right. Supplier hereby waives any right of retention.

22.8. The rights and remedies available to Rieter Components Germany GmbH in the Agreement are cumulative and are not exclusive of any rights or remedies available at law or in equity.

22.9. The GTC may be available in local and English language. In the event of any inconsistencies between the language versions, the German version prevails.

22.10. All information, notices, requests, consents, acceptances, confirmations, claims, demands, waivers, and all other communications required or permitted to be made under the Agreement ("Notice(s)") must be made in written form and addressed to the relevant Party at the mail or email address.

October 2024