General Terms and Conditions of Purchase
Joseph Dresselhaus-Gruppe GmbH & Co. KG

1. Validity of the terms and conditions and conclusion of contract

1.1. Our General Terms and Conditions of Purchase (GTCP) apply exclusively to all purchasing and procurement transactions for goods, work, or services entered into by the Joseph Dresselhaus-Gruppe GmbH & Co. KG or companies affiliated with the Joseph Dresselhaus GmbH & Co. KG within the meaning of §§ 15 ff. AktG (German Stock Corporation Act) (hereinafter referred to as the "Dresselhaus Group") with suppliers or in which the Dresselhaus Group commissions these suppliers to provide services.

1.2. They apply to all future business relationships, even if they are not expressly agreed upon again. Any general terms and conditions of the supplier that deviate from the EKB shall only apply if and to the extent that we expressly agree to them in writing. Our EKB shall also apply if we accept the supplier's delivery without reservation in the knowledge that it conflicts with or deviates from our terms and conditions.

1.3. Delivery contracts (orders and acceptance) and delivery schedules, as well as amendments and additions, must be made in writing. In the case of electronic declarations, the written form is also preserved without an electronic signature within the meaning of § 126a BGB (German Civil Code). If the supplier does not accept the order within eight (8) days of receipt of the order, we are entitled to revoke it. The prices listed in the order are binding final prices.

1.4. For the purpose of fulfilling an order, the supplier is permitted to pass on information to the necessary subcontractors, specifically limited to the respective order, to the extent customary in the industry. The supplier shall only use suitable subcontractors and shall inform their subcontractors of existing confidentiality obligations towards the Dresselhaus Group and likewise oblige them to maintain confidentiality with an appropriate level of protection.

2. Terms of delivery, packaging, shipping, and transfer of risk

2.1. Deliveries shall be made in accordance with the currently applicable transport and packaging guidelines, unless other arrangements have been made. The delivery must correspond to the order or our delivery schedule in terms of execution, scope, and division, and must be carried out on time. The values determined by the Dresselhaus Group during the incoming inspection are decisive for the number of items, dimensions, and weight. The currently agreed Incoterms apply to liability and insurance obligations.

2.2. All applicable trade/foreign trade guidelines and regulations of the Federal Republic of Germany and the European Union must be complied with, including any applicable sanctions and embargoes that are effective for the business.

2.3. The packaging must contain clearly visible information that allows the contents to be legally compliant and commercially determined according to item type and quantity. Unless otherwise agreed upon, the packaging must not bear any reference to the supplier. The goods must also not bear any reference to the supplier, except in accordance with ISO 3506 on the correct marking of fasteners. This does not apply to labeling requirements specified by law or other regulations. The Dresselhaus Group reserves the right to return goods that do not meet these requirements or to charge the supplier for the additional costs of proper packaging.

2.4. Delivery dates are binding. The supplier is obliged to notify the Dresselhaus Group immediately, at least in writing, if a delay in delivery is imminent. Advance deliveries are only permitted with our prior consent in writing. If the supplier delivers before the agreed delivery date, they shall bear all associated costs, in particular for storage by the Dresselhaus Group. If it is impossible for the Dresselhaus Group to accept the early delivery, they are entitled to refuse acceptance.

2.5. The timeliness of deliveries without assembly or installation depends on receipt at the shipping address specified by us. The timeliness of deliveries with installation or assembly as well as other services is determined by the provision of the goods in a condition ready for acceptance.

2.6. Failure to comply with deadlines agreed upon between the contracting parties entitles the Dresselhaus Group to withdraw from or terminate the contract after issuing a warning and allowing a reasonable grace period to elapse. The Dresselhaus Group may also claim damages unless the supplier is not responsible for the failure to meet the deadline. A contractual penalty for delayed delivery may be agreed upon between the contracting parties in individual contracts. The Dresselhaus Group shall retain their claim to a contractually agreed penalty even if they do not expressly reserve their rights with regard to the contractual penalty upon receipt/acceptance of a delivery.

2.7. The Dresselhaus Group is obliged to inspect the delivered goods within a reasonable period of time for any obvious deviations in quality or quantity. The complaint must be reported to the supplier in writing without delay as soon as it has been identified in the normal course of business. The complaint shall be deemed to have been made in good time if it is received by the supplier within a period of ten (10) working days from receipt of the goods or, in the case of hidden defects, from their discovery. In this respect, the supplier waives the objection of a delayed complaint if the above deadline is met.

2.8. In the case of any work performance or contracts for work (e.g., construction orders, machine manufacturing, and delivery), the services provided by the supplier must be formally accepted by the Dresselhaus Group by means of a written acceptance report. If acceptance has been agreed upon, the date of acceptance shall be decisive for the transfer of risk. Fictitious acceptance through use, trial operation, or payment of remuneration for the work is excluded. If and to the extent that the supplier is required to produce drawings, descriptions, calculations, etc., ownership of these shall pass to the Dresselhaus Group upon delivery. No separate remuneration shall be owed for this. The original documents relating to the contract shall be handed over to the Dresselhaus Group at the latest upon acceptance. The complete submission of these documents is a genuine prerequisite for acceptance. If trial operation has been agreed upon in an individual contract, the documents must always be made available to the Dresselhaus Group in good time so that they are in a position to assess the supplier's contractual services in trial operation properly and professionally without delay. Documents provided to the supplier by the Dresselhaus Group for the performance of the contract must be handled and stored with care. These and other documents produced and procured for the execution of the order (samples, drawings, sketches, etc.) remain the property of the Dresselhaus Group and must be returned to the Dresselhaus Group at the latest upon completion of the order. The supplier may not make any copies or other transcripts and/or retain them in their possession after completion of the order, unless the Dresselhaus Group has given their written consent. In all other respects, the statutory provisions of the law on contracts for work and services in accordance with the German Civil Code (BGB) shall apply.

3. Terms of payment

3.1. Payments shall be made in accordance with the payment terms specified in the orders. Payment shall always be preceded by proper and/or agreed performance of services. All payments made by the Dresselhaus Group are subject to the express reservation that the supplier delivers in accordance with the contract and that the invoice is correct in terms of calculation and price. Payment alone does not constitute acknowledgment of the contractual conformity of the delivery/service.

4. Warranty claims

4.1. The supplier guarantees that the contractual products delivered by them are free of material defects and defects of title and, if agreed, have the guaranteed quality. The supplier's liability for defects also extends to parts manufactured by suppliers and used by the supplier.

4.2. The Dresselhaus Group is entitled to the statutory warranty claims without restriction.

4.3. The Dresselhaus Group shall be entitled to remedy the defects themselves at the supplier's expense if the supplier is in default with the subsequent performance. In addition, the following provisions shall apply:

- All replacement deliveries or repairs are also part of this warranty for defects set out in the General Terms and Conditions of Purchase.

- The supplier shall be liable for spare parts deliveries, repairs, and rectification work to the same extent as for the original delivery item with regard to transport, travel, and labor costs without limitation.

- The supplier undertakes to indemnify the Dresselhaus Group upon first written request against any third-party claims arising from product liability against the Dresselhaus Group and caused by a defect or fault in the supplier's delivered product. This indemnification shall also apply without exception to reasonable costs of any necessary recall campaigns, including the necessary costs of defending against such claims.

- If, in accordance with a quality assurance agreement between the Dresselhaus Group and the supplier or the testing procedure specified in the order, the maximum permissible defect rate is exceeded, the Dresselhaus Group shall be entitled to assert claims for defects with regard to the entire delivery and/or to inspect the entire delivery for defects and errors at the supplier's expense.

4.4. The limitation period for defects is 24 months, calculated from the transfer of risk, unless other limitation provisions, in particular pursuant to Sections 438 (1) No. 2 b), 445b, 478 (2), 634a BGB (German Civil Code), apply or are applicable. Otherwise, mandatory provisions of supply chain recourse remain unaffected.

4.5. The supplier is obliged to supply spare parts to the Dresselhaus Group at reasonable conditions for the period of normal technical use, but for at least ten (10) years after the last delivery of the delivery item. If the supplier discontinues production and, accordingly, the delivery of spare parts after the 10-year period has expired, or if the supplier discontinues delivery of the delivery item during this period, the Dresselhaus Group must be informed and given the opportunity to place a final order for stockpiling purposes.

5. Liability, indemnification, insurance coverage

5.1. The supplier shall be liable for any damage caused by them or their vicarious agents or assistants, regardless of the degree of fault and the amount of damage, fully and without limitation. Insofar as the supplier is liable for product damage in accordance with the German Product Liability Act, they shall be obliged to indemnify the Dresselhaus Group against claims for damages by third parties upon first written request.

5.2. Within the scope of their own liability for damage, the supplier is also obliged to reimburse any expenses arising from or in connection with a recall campaign lawfully carried out by the Dresselhaus Group. The Dresselhaus Group shall inform the supplier of the content and scope of such a recall measure in good time in advance, as far as possible and reasonable, and give the supplier the opportunity to comment.

5.3. The Dresselhaus Group shall notify the competent authority in accordance with the provisions of the German Product Safety Act (ProdSG) in consultation with the supplier.

5.4. The supplier undertakes to take out and provide evidence of business liability insurance covering extended product liability and recall costs with a minimum coverage of EUR 5 million per personal injury/property damage – lump sum – for the duration of this contract, i.e. until the respective expiry of the limitation period for defects. Upon request, the supplier shall provide the Dresselhaus Group with proof of having taken out such insurance. In individual cases, the sum insured may be increased or reduced for justified reasons within the framework of separate agreements between the parties.

5.5. In addition, there is an obligation to adequately insure material provided by the Dresselhaus Group for the execution of the order against loss and damage. Further legal claims remain unaffected by this. Complaints or damage to the material provided by the Dresselhaus Group, as well as complaints regarding the weight of the shipment used as the basis for freight calculation on the consignment note, must be reported to the carrier immediately upon receipt of the material.

6. Origin of goods, preferences – regulations in international trade

6.1. The supplier is obliged to provide proof of non-preferential or preferential origin for all items delivered by them.

6.2. The supplier undertakes to provide the Dresselhaus Group with a current, valid long-term supplier declaration on an annual basis without being requested to do so. The supplier must notify us immediately of any changes to the information provided therein.

6.3. The supplier undertakes to check their products on their own responsibility to determine whether they are subject to any prohibitions, restrictions, and/or special licensing requirements in international trade.

6.4. If the Dresselhaus Group or their customers are charged additional fees by a customs authority due to incorrect declarations of origin on their part, or if the Dresselhaus Group or their customers suffer any other financial disadvantage as a result, and this is based on incorrect information of origin provided by the supplier, the supplier shall be fully liable for this or shall indemnify the Dresselhaus Group against these claims.

7. Diligence in the supply chain – Substances in products and goods – Sustainability

7.1. The Dresselhaus Group is indirectly subject to the statutory obligations set out in the German Supply Chain Due Diligence Act (LkSG). Upon request by the Dresselhaus Group, the supplier shall provide the necessary information and details, including those relating to their supply chain, to the best of their knowledge and belief within a reasonable period of time after receipt of the request in writing and/or via the use of databases (e.g., Integrity Next, etc.) so that the Dresselhaus Group is able to comply with the legal requirements.

7.2. The supplier undertakes to comply with the company's human rights and environmental expectations. The parties agree that the Dresselhaus Group is entitled, where there are reasonable grounds, to exercise appropriate control and inspection rights to ensure that the requirements of the LkSG are also taken into account in the supply chain with an appropriate level of protection. Depending on the severity of a (suspected) violation, the control mechanisms may be exercised in particular by means of electronic surveys, but also by means of an audit at the supplier's headquarters or another location of its company. An audit at the supplier's premises must be notified to the supplier in writing within a reasonable period of time prior to its implementation. The contracting parties undertake to observe and comply with the mandatory provisions of antitrust and competition law at all times.

7.3. The supplier guarantees that the products it delivers—insofar as they fall within the scope of application—comply in particular with the provisions and regulations of the buyer's quality assurance agreement, as amended.

7.4. The obligation to comply with the aforementioned standards and regulations and to transmit the relevant data and information is a contractual obligation. If and to the extent that the supplier fails to meet their obligations and/or the request for transmission despite a written reminder setting a reasonable deadline, the Dresselhaus Group shall be entitled to terminate the specific contractual relationship and/or the framework agreement without notice or to declare their withdrawal from the contract. The right to assert claims for damages in this context is expressly reserved. The supplier shall indemnify the Dresselhaus Group upon first request against any culpable violations within the supplier's sphere of influence for which the Dresselhaus Group is or may be held liable by third parties.

8. Retention of title

8.1. Material, models, molds, tools, documents, data, drawings, drafts, sketches, plans, descriptions, specifications, measurement results, calculations, experience, processes, samples, knowledge, and procedures, including confidential know-how and unpublished applications for industrial property rights held by the Dresselhaus Group, shall remain the property of the Dresselhaus Group.

8.2. Any materials or items provided must be clearly marked as the property of the Dresselhaus Group immediately upon receipt and stored separately from identical or similar items. They may not be used for purposes unrelated to the contract.

8.3. Any processing or transformation by the supplier shall be carried out on behalf of the Dresselhaus Group. If the goods subject to retention of title are processed with other items not belonging to the Dresselhaus Group, the latter shall acquire co-ownership of the new item in proportion to the value of the item belonging to the Dresselhaus Group (purchase price plus sales tax) to the other processed items at the time of processing.

8.4. If the item provided by the Dresselhaus Group is inseparably mixed with other items not belonging to the Dresselhaus Group, the Dresselhaus Group shall acquire co-ownership of the new item in proportion to the value of the reserved item (purchase price plus sales tax) to the other mixed items at the time of mixing. If the mixing is carried out in such a way that the supplier's item is to be regarded as the main item, it is agreed that the supplier shall transfer co-ownership to the Dresselhaus Group on a pro rata basis, in the amount of the value of the item provided; the supplier shall hold sole ownership or co-ownership for the Dresselhaus Group.

8.5. The contractor shall be liable for the loss of items provided by the Dresselhaus Group or for misuse of such items until they are returned in the proper manner. Upon completion of the order, these items must be returned without special request. The Dresselhaus Group must be notified immediately of any impending or completed seizure or other (enforcement) measures, as well as any other impairment of the rights of the Dresselhaus Group.

8.6. Upon dispatch of the goods, the supplier waives any retention of title provided for in their terms and conditions of delivery towards the Dresselhaus Group.

9. Force majeure

9.1. If a contracting party is prevented from fulfilling their obligations due to force majeure in accordance with Section 9.2., they shall be released from their obligation to perform. The other contracting party shall be released from their obligations to provide consideration to the extent and for as long as the contracting party is prevented from fulfilling their obligations due to force majeure.

9.2. Force majeure shall be deemed to exist in the event of any unforeseeable, serious event, such as, in particular, war, terrorist conflicts, epidemics, pandemics, epidemic plagues, diseases, whether known or unknown, quarantine measures, or labor disputes, which are beyond the control of a contracting party and which prevent a contracting party from fulfilling their obligations in whole or in part, including fire damage, energy and raw material shortages, transport bottlenecks or obstacles through no fault of their own, floods, strikes, and operational disruptions through no fault of their own (fire, water, machine damage) or official orders and lawful lockouts.

9.3. The affected contracting party must notify the other contracting party immediately and inform them of the reasons for the force majeure and its expected duration. They will endeavor to take all technically and economically reasonable measures to ensure that they can fulfill their contractual obligations again as quickly as possible.

9.4. The contracting parties undertake to adapt the contract to the changed circumstances. For the duration and to the extent of the direct and indirect effects, the contracting parties shall be released from their obligations and shall not be liable for damages in this respect.

9.5. In cases of force majeure, the Dresselhaus Group shall be released from their obligation to perform for the duration and to the extent of the impact of the force majeure without any liability or recourse under the law or contract. The Dresselhaus Group is not obliged to engage in covering transactions (i.e., procurement from other sources) or to relocate production.

9.6. The supplier warrants that no third-party rights are infringed upon when their products are used in accordance with the contract in connection with its delivery.

10. Property rights and confidentiality

10.1. The supplier guarantees that no third-party rights are infringed upon when their products are used in accordance with the contract in connection with their delivery.

10.2. If claims are made against the Dresselhaus Group by a third party for infringement of their rights, the supplier shall indemnify the Dresselhaus Group against these claims upon first request. The indemnification obligation shall cover all expenses incurred by the Dresselhaus Group and/or in connection with the claim by a third party, unless the supplier proves that they are not responsible for the infringement of property rights.

10.3. The limitation period for these indemnification claims is 24 months, calculated from the transfer of risk.

10.4. The Dresselhaus Group reserves all rights of any kind to illustrations, drawings, calculations, and other documents. These must be treated as confidential and may not be made accessible to third parties without the consent of the Dresselhaus Group.

10.5. All results achieved by a supplier in the performance of a (work) contract, including any inventions and the rights of use and exploitation under copyright law, shall be exclusively available to the Dresselhaus Group for unrestricted use and exploitation upon their creation. Insofar as required by the German Employee Inventions Act, the supplier shall ensure in an appropriate manner that inventions are transferred to the Dresselhaus Group without delay. The Dresselhaus Group may, at their own discretion, apply for property rights for any inventions contained in the work results in Germany and/or abroad and pursue or abandon the resulting property rights.

11. Data protection

11.1. All data transmitted by the supplier is collected and processed in compliance with the European General Data Protection Regulation (GDPR) and the German Federal Data Protection Act (BDSG). This also includes processing in IT systems.

11.2. The supplier undertakes to observe and comply with the provisions of the European General Data Protection Regulation and the corresponding national regulations (for the Federal Republic of Germany, e.g., the Federal Data Protection Act) in their currently valid form. The supplier must inform the Dresselhaus Group immediately in the event of data protection incidents and provide all necessary information for documentation and, if necessary, reporting of the data protection incident by email to datenschutz@dresselhaus.de. The parties remain free to conclude a separate data processing agreement (DPA).

12. Rights of retention, offsetting, and prohibition of assignment

Offsetting our claim against counterclaims or exercising rights of retention is only permissible if the counterclaim is undisputed or has been legally established and is due for payment. The assignment of claims arising from the contractual relationship may not be assigned by either party without the prior written consent of the other party. The processing of payments via a factoring company remains unaffected by this.

13. Place of performance and jurisdiction

13.1. The place of performance for all rights and obligations arising from the delivery or service shall be the Dresselhaus Group plant designated for the receipt of goods or for the service.

13.2. Herford is agreed as the exclusive place of jurisdiction for all legal disputes with contractual partners who are merchants. We reserve the right to sue the supplier at their general place of jurisdiction.

13.3. The law of the Federal Republic of Germany shall apply exclusively. The validity of the United Nations Convention on Contracts for the International Sale of Goods (CISG) – UN Sales Convention – is excluded.

14. Final provisions

14.1. Inquiries, orders, order confirmations, and any other correspondence between the Dresselhaus Group and the supplier may not be used for advertising purposes. This shall only apply if and to the extent that the Dresselhaus Group has given their prior written consent to the specific advertising and the form of advertising is expressly and clearly stated by the supplier.

14.2. The supplier undertakes to comply with the Code of Conduct for Suppliers published on the Dresselhaus Group website in its currently valid version. The supplier shall take appropriate measures to ensure that their subcontractors also comply with this Code of Conduct. Violations of the Code of Conduct entitle the Dresselhaus Group to terminate the contract for cause.

15. Severability clause

Should any provision of these General Terms and Conditions of Purchase (GTCP) be or become invalid, ineffective, or reviewable in whole or in part for any reason, the remaining provisions of these terms and conditions shall remain unaffected. In such cases, the parties shall reach an agreement that comes as close as possible to the originally agreed contractual content. The invalid provision shall be replaced by a clause that comes closest to the intended purpose without itself being invalid. This shall also apply correspondingly to any gaps in these General Terms and Conditions of Purchase (GTCP) and the contracts concluded under them.