

General Terms and Conditions of Purchase

spirit of excellence

1. Scope

- 1.1. These General Terms and Conditions of Purchase apply to all business transactions between Richard Wolf GmbH, RIWOSpine GmbH, and Kurt Semrau GmbH, or a Germany company affiliated with these companies in accordance with Section 15 ff. of the German Stock Corporation Act (hereinafter referred to as the "CUSTOMER") and the supplier, even if they are not mentioned in subsequent contracts. They shall apply accordingly to work and services performed. In place of the acceptance of the delivered products, acceptance of the work performed or receipt of the service shall apply.
- 1.2. Conditions of the supplier which conflict with, are in addition to, or deviate from these General Terms and Conditions of Purchase shall not form part of the contract, unless the CUSTOMER has consented to their validity in writing. These General Terms and Conditions of Purchase shall also apply if the CUSTOMER accepts a delivery from the supplier without reservation in the knowledge of conflicting, additional, or deviating conditions.
- 1.3. Agreements which conflict with, are in addition to, or deviate from these General Terms and Conditions of Purchase concluded between the CUSTOMER and the supplier are to be set down in writing. This also applies to the revocation of this requirement for the written form.
- 1.4. Rights to which the CUSTOMER is entitled in accordance with statutory regulations or other agreements and which extend beyond these General Terms and Conditions of Purchase shall remain unaffected.

2. Conclusion of the Contract and Contract Amendments, Execution of the Contract

- 2.1. Quotations, designs, plans, cost estimates, samples, and models produced by the supplier shall be provided to the CUSTOMER free of charge. At the request of the CUSTOMER, they shall be taken back by the supplier without delay and at the supplier's expense.
- 2.2. A purchase order shall only be regarded as binding if it has been placed by the CUSTOMER in writing, by fax, or by email. The CUSTOMER may refuse to accept deliveries if they are not based on a purchase order that meets these requirements. In this case, the CUSTOMER may send the products back to the supplier freight collect. A purchase order that has been created electronically and does not include a signature and name shall be deemed to constitute the written form. If the purchase order contains obvious mistakes, spelling errors, or calculation errors, it shall not be binding for the CUSTOMER.
- 2.3. A written order confirmation which explicitly specifies the price and delivery must be submitted by the supplier without delay – no later than five (5) working days following receipt of the purchase order – in the form of a PDF file via email or in SNC (Supplier Network Collaboration). Deviations between the order confirmation and purchase order shall only be deemed to be agreed once they have been confirmed in writing by the CUSTOMER. The same shall apply to subsequent amendments to the contract.
- 2.4. The supplier must inform the CUSTOMER in writing or via email before the contract is concluded if the ordered products are subject to export controls or other restrictions relating to marketability in accordance with the regulations that apply in the Federal Republic of Germany. If information is not duly provided, particularly if there is a failure to provide information or if the information is incorrect, incomplete, or not provided in good time, the CUSTOMER shall be entitled to withdraw from the contract following the expiry of a reasonable period of time that the CUSTOMER has defined and without consideration of the culpability of the supplier. Further claims on the part of the CUSTOMER shall remain unaffected.
- 2.5. If the CUSTOMER does not respond to quotations, demands, or other declarations from the supplier, consent shall only be deemed to have been given if this has previously been agreed in writing.
- 2.6. Order confirmations, dispatch notes, waybills, delivery notes, invoices, and other correspondence from the supplier must clearly reference the purchase order data of the CUSTOMER (in particular the purchase order number, material or product number, cost centers) unless agreed otherwise.
- 2.7. Should deviations from the originally agreed specifications be required or expedient during the execution of a contract, the supplier must inform the CUSTOMER in writing without delay and submit proposed amendments. The CUSTOMER shall communicate to the supplier whether the supplier is to make amendments vis-à-vis the original purchase order and specify which amendments are to be made. The CUSTOMER shall be entitled to make amendments to the purchase order at any time, in particular with regard to the composition of the products. In such cases, a reasonable period of time is to be granted to the supplier in order to make the necessary amendments to production. Should the costs incurred by the supplier to execute the contract change as a result of the amendments, the contracting parties shall negotiate an appropriate adjustment to the price. If no agreement regarding a price adjustment is reached within eight weeks of the written invitation to negotiate being issued, the CUSTOMER shall be entitled to withdraw from the contract without observing a notice period.
- 2.8. If the financial circumstances of the supplier deteriorate significantly or if a substantiated application to open insolvency or comparable proceedings regarding the supplier's assets is rejected due to insufficient assets, the CUSTOMER shall be entitled to withdraw from the contract either in whole or in part.
- 2.9. The Supplier assures that it will comply with the regulations of the German Minimum Wage Act (MiLoG) and pay the statutory minimum wage when executing orders for the CUSTOMER. The supplier assures that any subcontractors and hirers (temporary work agencies in the sense of the German Act on Labor Leasing (AÜG)) it engages shall also comply with the regulations of the MiLoG and pay the statutory minimum wage. In particular in this regard, the supplier assures that it has obligated its subcontractors and hirers to comply with these provisions. The supplier assures that it is not excluded from the award of public contracts. The supplier shall indemnify the CUSTOMER against all claims asserted by third parties arising from or in connection with the regulations of the MiLoG, and in particular against claims asserted by employees of the supplier, any subcontractors, employees of the subcontractor, or an engaged hirer. This shall not apply if the supplier is not liable to the CUSTOMER within the scope of their internal relationship. The obligation to indemnify shall also apply to claims asserted by social security agencies and financial authorities.
- 2.10. In order to safeguard a continuous international supply chain in accordance with Regulation (EC) 648/2005, the supplier undertakes – if it does not already have Authorised Economic Operator (AEO) status – to submit a safety and security declaration that satisfies the applicable customs requirements. The submission of the safety and security declaration shall not apply if the supplier is able to demonstrate that it has already made an application to obtain an AEO certificate. In order to fulfill its contractual obligations, the supplier shall only engage economic operators which also have AEO status or which have submitted corresponding safety and security declarations to the supplier.

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3. Packaging, Shipping, Delivery, and Acquisition of Ownership

- 3.1. The supplier is responsible for ensuring that the product is packaged correctly. In particular, the supplier shall ensure the exclusive use of new and legally permissible packaging material. In doing so, it shall take into account any wishes/requirements communicated by the CUSTOMER.
- 3.2. At the request of the CUSTOMER, the shipping of the products shall be communicated in writing without delay.
- 3.3. All deliveries are to be accompanied by a delivery note. The delivery note shall be affixed securely to the outside of the package in a protective bag. The supplier shall ensure the completeness of the following information: delivery address, purchase order number, purchase order date, and – if specified in the purchase order documentation provided by the CUSTOMER – the material number, product number or project number, and the relevant quantities. Multiple articles dispatched in a single consignment may be delivered in a transport container but must be separately packed and identified. The products in each piece of packaging must be homogenous and contain only products from the same batch. The supplier is to check that the contents match the label on the packaging.
- 3.4. Deliveries can only be received on weekdays, from Monday to Friday during the business hours specified below:
 - 7:15 a.m. – 9:00 a.m.
 - 9:15 a.m. – 12:15 p.m.
 - 1:00 p.m. – 3:00 p.m.

The supplier shall indemnify the CUSTOMER against all claims asserted by third parties if deliveries are made outside these hours, unless the supplier is not responsible for the delivery being made outside usual business hours.
- 3.5. When making delivery of the products, the supplier must ensure compliance with the German Ordinance on Hazardous Substances (GefStoffV) in particular, package and label the products concerned accordingly, and explicitly specify on the delivery note that the consignment contains hazardous substances.
- 3.6. Ownership of the products shall be transferred to the CUSTOMER directly and unencumbered at the point when they are handed over. The supplier warrants that it is authorized to resell the products and transfer ownership.

4. Delivery Time

- 4.1. The delivery periods and deadlines specified in the purchase order or otherwise agreed are binding. The delivery periods start from the point at which the purchase order is received. The products must have arrived at the delivery address specified by the CUSTOMER within the delivery period or by the agreed deadline.
- 4.2. If it becomes apparent to the supplier that the delivery date cannot be met, the supplier must inform the CUSTOMER in writing without delay, specifying the reasons for and the anticipated duration of the delay.
- 4.3. In the event of a delay by the supplier, the CUSTOMER shall be entitled to demand the application of a contractual penalty amounting to 0.5% of the net purchase order value for each week or part of week of delay, up to a maximum of 5% of the net purchase order value, unless the supplier is not responsible for the delay in delivery. Cases of force majeure are excluded. Further claims on the part of the CUSTOMER shall remain unaffected. The delivery entitlement of the CUSTOMER shall only be excluded if – at the request of the CUSTOMER – the supplier pays compensation in lieu of making delivery. Acceptance of the delayed delivery shall not constitute a waiver of claims for compensation or of the contractual penalty.

- 4.4. Delivery prior to the agreed deadline shall only be permissible with the prior written consent of the CUSTOMER. The CUSTOMER shall be entitled to store any products delivered early at the supplier's expense or to return them at the supplier's expense, unless the early delivery is negligible or the supplier is not responsible for it.

5. Prices and Payment

- 5.1. The price specified in the purchase order is binding and includes "free delivery to the place of use". Unless otherwise agreed in writing, the price includes in particular the costs for packaging, shipping equipment, transport, and insurance to the delivery address specified by the CUSTOMER as well as customs duties and other official levies. Statutory sales tax is included in the price if the price is not explicitly specified as the net price. If the shipping and transport costs are not included in the price in an individual case and it has been agreed in writing that the CUSTOMER shall assume the shipping and transport costs on this occasion, the CUSTOMER shall only assume the costs for the least expensive method of shipping and transport, even if faster transportation is required in order to adhere to the agreed delivery periods and deadlines.
- 5.2. The supplier shall take out transport insurance and – at the request of the CUSTOMER – shall present suitable documents to demonstrate this without delay.
- 5.3. If a delivery is exempt from sales tax, the supplier must provide the relevant evidence of this, provided that the evidence falls under the supplier's area of responsibility. For deliveries within the European Union, the supplier must, without being prompted to do so, communicate its sales tax identification number in writing, provide evidence of its corporate status, and contribute to proof of export documents required for accounting and documentation purposes.
- 5.4. The supplier shall send the original invoice to the following invoice address:
 - Richard Wolf GmbH: invoice@richard-wolf.com
 - RIWOspine GmbH: invoice@riwospine.com
 - Kurt Semrau GmbH: invoice@kurt-semrau.com

The supplier shall send invoices following delivery of the products in accordance with the contractual conditions. The invoices must explicitly make reference to the purchase order number and item, as well as the material/product number if these have been assigned by the CUSTOMER. Invoices without complete purchase order references shall be deemed not to have been received as they cannot be processed.
- 5.5. Payment shall be made following acceptance of the products and receipt of the invoice within 14 days with a 3% discount or within 45 days net. Payments shall be subject to invoice verification. The CUSTOMER shall be entitled to make payment by cheque or transfer as well, at its own discretion. In the event of inadequate delivery, the CUSTOMER shall be entitled to withhold payment to this extent until the order is duly fulfilled without loss of discounts, deductions, or similar price reductions. The term of payment begins once the defects have been fully rectified. If the products are delivered early, the term of payment begins no earlier than the point at which the delivery period ends or on the agreed delivery date. If the supplier is obligated to provide material tests, test reports, quality documents, or other documentation, acceptance of the products only triggers the start of the payment term once the required documentation has also been handed over to the CUSTOMER. The CUSTOMER shall only be in default if a warning notice is issued. Section 286 Paragraph 3 of the German Civil Code is waived. In the event of payment default, the supplier may – taking current interest rates into account – demand interest on arrears amounting to 2 percentage

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points above the basic interest rate per annum. Without prejudice to its other rights, the supplier shall be entitled to withdraw from the contract upon expiry of a reasonable grace period set by the CUSTOMER at the time of payment default, unless the CUSTOMER is not responsible for the payment default. The supplier shall – at the request of the CUSTOMER and within a reasonable period of time – give a binding statement regarding whether it is to withdraw from the contract once the grace period expires due to the delay in payment or whether it wishes to uphold the contract.

6. Transfer of Risk

- 6.1. The supplier shall bear the risk of accidental loss and accidental deterioration of the products until they are handed over to the CUSTOMER.
- 6.2. If the supplier is obligated to set up or assemble the products at the CUSTOMER'S premises, the risk of accidental loss and accidental deterioration of the products shall only pass to the CUSTOMER once the products have been set up or assembled. This shall also apply if the CUSTOMER has undertaken to provide certain aspects of performance, such as transport costs.

7. Acceptance

- 7.1. If the supplier is obligated to perform work or the parties have agreed to an acceptance procedure, the CUSTOMER shall – following delivery, set-up, and assembly as well as a reasonable and sufficient period of trial operation and fulfillment of all ancillary performance by the supplier, in particular provision of training and induction – accept the products delivered in full and free of defects within one month of receipt of a written request for acceptance by the supplier.
- 7.2. The supplier must inform the CUSTOMER in writing once performance has been completed in full and the acceptance procedure is expected to be able to be carried out without finding any defects. Performance is only deemed to have been fulfilled once it has been accepted by the CUSTOMER. Acceptance shall take place on a formal basis on a mutually agreed acceptance date, which shall require the presence of both contracting parties. The acceptance procedure shall be documented in an acceptance report.
- 7.3. The supplier shall provide, free of charge, the specialist personnel as well as the test and measuring instruments and other aids required to carry out the acceptance procedure. The supplier shall provide and dispose of the necessary supplies and materials free of charge in consultation with the CUSTOMER. The supplier shall bear any costs that arise as a result of unsuccessful acceptance attempts. An acceptance report on the acceptance procedure is to be maintained and signed by the CUSTOMER and the supplier as a legally binding record.
- 7.4. In the event of defects, the CUSTOMER shall be entitled to refuse acceptance.
- 7.5. The CUSTOMER shall be entitled to demand trial operation for a reasonable period of time. The use of the products following a reasonable and sufficient period of trial operation by the CUSTOMER shall not constitute acceptance.
- 7.6. If an acceptance procedure takes place, the risk of accidental loss and accidental deterioration passes to the CUSTOMER once the acceptance procedure has been carried out. This shall also apply if the CUSTOMER has undertaken to provide certain aspects of performance, such as transport costs, set-up costs, or assembly costs.
- 7.7. The CUSTOMER must notify the supplier of any defects that were not detected during the acceptance procedure within two weeks of their discovery. Acceptance of the products as well as commissioning and payment shall not constitute a waiver of claims for defects by the CUSTOMER.

- 7.8. If the performance or delivery may only be carried out with the approval of an agency, authority, or association, such as a technical inspection association, a trade supervisory authority, an employer's liability insurance association, or a local mining authority, this approval forms an integral element of the acceptance procedure that must be fulfilled. If approval is not granted or is granted with a delay for reasons attributable to the supplier, the supplier shall bear any costs that arise for the CUSTOMER.

8. Liability for Defects and Warranties

- 8.1. The supplier warrants that the products delivered match the agreed specifications or the approved samples as well as the applicable statutory provisions and the regulations, guidelines, and ordinances issued by authorities, employer's liability insurance associations, and professional associations. An initial sample approval by the CUSTOMER shall not release the supplier from its responsibility for the quality and flawlessness of the products.
- 8.2. In particular, the supplier warrants that the delivered products fulfill Regulation (EC) 1907/2006 (REACH). The supplier shall fulfill all existing obligations regarding notification, approval, registration, and authorization in accordance with this regulation. If obligations are placed on the CUSTOMER as a result of the supplier failing to fulfill its obligations correctly, the supplier shall, at first request, indemnify the CUSTOMER against any costs incurred in this regard, unless the supplier is not responsible for the fact that the obligations have not been correctly fulfilled. The supplier is obligated to fulfill the applicable obligations concerning labeling, packaging, and information for the delivered products, in particular in accordance with Regulation (EC) 1272/2008 (CLP), in full and in good time and without further prompting. Furthermore, the supplier shall make the safety data sheets required in line with Regulation (EC) No. 1907/2006 (REACH) available to the CUSTOMER prior to the first delivery without being prompted to do so. This information is a key component of the purchased goods. Furthermore, the supplier warrants compliance with the requirements of Directive 2011/65/EU on the restriction of hazardous substances (RoHS) and Directive 2012/19/EU on waste electrical and electronic equipment (WEEE), as well as the requirements of national implementations in Germany, in particular the Ordinance on Hazardous Substances in Electrical and Electronic Equipment (ElektrostoffV) and the Electrical and Electronic Equipment Act (ElektroG). The supplier must declare the RoHS compliance of the contractual products in writing to the CUSTOMER prior to the first delivery, label the packaging of the products accordingly, and confirm the RoHS compliance in the delivery note by including the information "RoHS-compliant".
- 8.3. The supplier warrants that no conflict minerals have been used in the manufacture of the delivered products. Conflict minerals are minerals in cases where, it is suspected, the revenue generated from their exploitation is used to finance armed groups or conflicts, in particular tin, tantalum, tungsten, and their derivatives, as well as gold from the Democratic Republic of the Congo (DRC) or its neighboring countries. The supplier shall ensure that conflict-free minerals are used by only using minerals from verifiably certified melting operations, and only procuring from its suppliers products that have been proven not to contain any conflict minerals. At the request of the CUSTOMER, the supplier shall provide suitable documentation without delay which proves that the products to be delivered only contain conflict-free minerals, i.e., minerals from certified melting operations in particular.

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- 8.4. The supplier warrants that the products are tested in line with the requirements of the applicable EC directives and EC safety standards, and are only delivered in their tested versions. The supplier must present the CUSTOMER with the legally binding, signed declaration of conformity (CE declaration) and a certificate of origin for the products prior to the first delivery. The supplier must inform the CUSTOMER in writing without delay and without being prompted if the information specified in the declaration of conformity or the certificate of origin for the products is no longer correct.
- 8.5. The supplier shall, at the request of the CUSTOMER, submit a written declaration without delay regarding compliance with the requirements stated in these provisions. The supplier shall indemnify the CUSTOMER against all claims of third parties that are asserted against the CUSTOMER or its clients on account of non-compliance with the specifications or approved samples or due to a breach of the aforementioned warranties, unless the supplier is not responsible for non-compliance with the specifications or approved samples or for the breach of warranty. Any concerns that the supplier has regarding the execution of the purchase order requested by the CUSTOMER must be communicated to the CUSTOMER in writing without delay.
- 8.6. If the supplier has its registered office within the European Union, it is obligated to submit a valid individual or long-term supplier's declaration for the products prior to the first delivery in accordance with Regulation (EU) 2015/2447. If the supplier has its registered office in a state with which the European Union has concluded a free trade agreement, preferential agreement, or cooperation agreement, or in a state or region that is associated with the European Union, the supplier must promptly provide the CUSTOMER with a preference certificate that is valid at the point of import. All deliveries are to be provided with a preference certificate that is valid at the point of import. If the supplier has its registered office in a third country, the supplier must, where applicable, present the CUSTOMER with a certificate of origin prior to the first delivery. The supplier must inform the CUSTOMER in writing without delay and without being prompted if the information specified in the supplier's declaration, the preference certificate, or the certificate of origin for the products is no longer correct.
- 8.7. The supplier undertakes to fulfill the applicable statutory and normative requirements relating to its resource management processes. In particular, the supplier shall engage a sufficient number of appropriately qualified employees and provide them with ongoing training. Furthermore, the supplier shall determine, provide, and maintain the necessary infrastructure and working environment, and comply with the stipulated maintenance cycles. The supplier shall document its resource management processes accordingly and – at the request of the CUSTOMER – shall present suitable documents to demonstrate this without delay.
- 8.8. The CUSTOMER must notify the supplier of any defects without delay following delivery of the products and of any hidden defects without delay once they are discovered. Notification shall be deemed to have occurred without delay if it takes place within two weeks of delivery in the case of visible defects, and within two weeks of their discovery in the case of hidden defects. In the case of deliveries that are composed of a large number of identical products, the CUSTOMER must inspect a reasonable number of the delivered products for defects. If the products prove to be unsaleable as a result of the inspection, the number of products to be inspected shall be reduced by a reasonable extent.
- If individual random samples of a delivery are defective, the CUSTOMER may – at its discretion – demand that the defective items are taken out by the supplier or assert claims for defects in relation to the entire delivery. Should the presence of defects in the products require an inspection to be performed that is beyond the usual scope of the incoming goods inspection, the supplier must bear the costs of this inspection. If the notification of defects is delayed or lost, the timely sending of the notification shall be sufficient.
- 8.9. If the contracting parties maintain an ongoing business relationship, the supplier shall be obligated to maintain an appropriate quality management system and to manufacture and inspect the products to be delivered in accordance with this quality management system. If the supplier procures production or test equipment, software, services, materials, or other pre-deliveries from subcontractors for the production or quality assurance of products, it must specify these in the contractual documentation of its quality management system, or take the necessary measures itself in order to ensure the requisite quality of the pre-deliveries. In particular, the supplier shall carry out its own material inspections. The supplier shall maintain records regarding the performance of quality assurance measures and retain these records and any samples of the products to be delivered in a clearly organized manner. The supplier shall grant the CUSTOMER access to the extent required, explain the records, and hand out copies of the records and any samples. As soon as the products have been accepted – provided this is feasible within the normal course of business – the CUSTOMER shall carry out an inspection to determine whether the products correspond to the ordered quantity and ordered type and whether any externally visible transport damage is present. If a defect becomes apparent during these inspections or at a later date, the CUSTOMER must notify the supplier of this as soon as possible following the inspection or following discovery. A further incoming goods inspection shall not take place.
- 8.10. The supplier shall also validate all processes relating to production and the provision of services for which the result is not verified or cannot be verified by means of subsequent monitoring or measurement, meaning that any shortcomings only become apparent once the product has been placed in use or the service has been provided. The validation must demonstrate the ability of these processes to consistently achieve the planned results.
- 8.11. Unless agreed otherwise, the products shall be delivered free of any contamination associated with the production process, and the cleaning processes carried out by the supplier in accordance with the state of the art must be validated and documented. Product-specific further requirements made by the CUSTOMER regarding the cleanliness of products shall be implemented, validated, and documented accordingly by the supplier.
- 8.12. In the event of product defects, the CUSTOMER shall be entitled – at its discretion and without prejudice to statutory claims for defects – to demand that the supplier carries out supplementary performance without delay to rectify the defects or to supply products that are free of defects. The supplier shall bear the expenses required in connection with the supplementary performance. This shall also apply if, following delivery, the products have been taken to a location other than the delivery address specified by the CUSTOMER in accordance with their intended use. If the supplier does not fulfill its obligations regarding supplementary performance within a reasonable period set by the CUSTOMER, the CUSTOMER may carry out the necessary measures itself at the expense and risk of the supplier or have the measures carried out by a third party, unless the supplier is not responsible for the failure to provide the performance due at the expiry of the grace period. The setting of a deadline is unnecessary in particular if the supplier refuses both types of supplementary performance or if the supplementary performance due to the CUSTOMER fails or is unacceptable to the CUSTOMER. The supplementary performance by the supplier is deemed to be unacceptable to the CUSTOMER in particular if the CUSTOMER has already forwarded the defective products on to a third party. The setting of a deadline is also

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unnecessary if the supplier seriously and definitively refuses performance or in the event of special circumstances which justify the immediate assertion of a claim for defects in consideration of the interests of both parties. Special circumstances in this sense particularly exist in urgent cases in which supplementary performance by the supplier would in all probability fail to eliminate the imminent disadvantage to the CUSTOMER. In such cases, the CUSTOMER shall be entitled to carry out the necessary measures at the expense and risk of the supplier without waiting for a reasonable grace period to expire, providing that the CUSTOMER informs the supplier of this.

- 8.13. The receipt of the products as well as the processing, payment, and reordering of products that have yet to be identified and reported as defective shall not constitute approval of the delivery or a waiver of claims for defects by the CUSTOMER.
- 8.14. The period of limitations for claims for defects by the CUSTOMER is 36 months, commencing with the delivery of the products.
- 8.15. Suppliers of products with spare parts requirements undertakes to supply the CUSTOMER with the necessary spare parts, accessories, and tools at the previously applicable prices plus compensation for inflation for a period of a further eight weeks following the expiry of the period of limitations.
- 8.16. Further warranties of the supplier shall remain unaffected.
- 8.17. The supplier shall manufacture and supply the products – provided these are medical devices – in accordance with the Medical Devices Directive 93/42/EEC (MDD 93/42/EEC) and take product-related requirements of the CUSTOMER into consideration. Following the phasing-out of the MDD 93/42/EEC and the commencement of Regulation (EU) 2017/745 dated April 5, 2017 concerning medical devices (MDR), the supplier shall manufacture and supply the products in accordance with this regulation, and ensure that no disadvantages arise for the CUSTOMER in connection with the switch to this regulation. The following shall apply in particular:
Should further requirements arise from the notified body or the authorities in connection with the MDR (e.g., regarding technical documentation) which were not previously requested in MDD 93/42/EEC, the supplier shall provide for these or fulfill these without restriction.

9. Serial Damage

- 9.1. Serial damage is to be assumed if the same faults are present in more than 5% of the products in a delivered batch. Serial damage also includes, in particular, products from the affected batch that have already been processed, transformed, or otherwise used.
- 9.2. In the case of serial damage, the supplier is obligated – at the discretion of the CUSTOMER – to provide a replacement delivery or to rectify the defects with respect to the entire affected batch as well as to compensate for all damage resulting from the serial damage, in particular to compensate for foreseeable consequential damage and indirect damage, unless the supplier is not responsible for the breach of obligation. Recall costs also fall into the category of indirect damage.
- 9.3. The supplier shall assist the CUSTOMER to the best of its ability in all measures that relate to a case of serial damage and that the CUSTOMER deems to be necessary.

10. Product Liability

- 10.1. The supplier undertakes to indemnify the CUSTOMER against the claims of third parties with respect to domestic and foreign product liability, unless the supplier is not responsible for the product fault and the damage incurred in accordance with the principles of product liability law. Further claims on the part of the CUSTOMER shall remain unaffected.

- 10.2. Within the scope of this obligation to indemnify, the supplier must compensate the CUSTOMER in particular also for any expenses that arise from or in connection with a warning, replacement, or recall campaign carried out by the CUSTOMER. The CUSTOMER shall – as far as is possible and reasonable – inform the supplier about the content and scope of the measures to be carried out and give the supplier the opportunity to respond. The supplier shall assist the CUSTOMER with the measures to be carried out to the best of its ability and carry out all measures specified by the CUSTOMER that the supplier deems to be reasonable.
- 10.3. The supplier undertakes to take out and maintain liability insurance with worldwide coverage and an amount of cover appropriate to the products of at least € 3 million per instance of personal injury for each individual person, at least € 5 million per instance of material damage, and at least € 5 million for pecuniary loss. At the same time, the supplier hereby assigns any claims arising from the liability insurance, including all ancillary rights, to the CUSTOMER. The CUSTOMER hereby accepts this assignment. If an assignment is not permissible in accordance with the insurance contract, the supplier shall hereby instruct the insurer that any payments are only to be made to the CUSTOMER. Further claims on the part of the CUSTOMER shall remain unaffected by this. Upon request, the supplier must demonstrate to the CUSTOMER that liability insurance has been taken out and is being maintained. The supplier shall refrain from or cease any action that may jeopardize the insurance coverage.
- 10.4. If the supplier does not adequately fulfill its obligations with respect to paragraph 3, the CUSTOMER shall be entitled, but not obligated, to take out liability insurance at the expense of the supplier.

11. Intellectual Property Rights

- 11.1. The supplier warrants that the delivery and use of the products does not breach any domestic or foreign patents, utility models, licenses, or other intellectual property rights and copyrights of third parties. This does not apply if the products were developed by the CUSTOMER.
- 11.2. If any claims are asserted against the CUSTOMER or its clients by a third party due to a breach of such rights in relation to the delivery and use of the products, the supplier shall indemnify the CUSTOMER against such claims. The obligation to indemnify relates to all expenses that the CUSTOMER incurs in connection with the claim. In particular, the CUSTOMER shall be entitled to obtain permission to use the products from the third party at the expense of the supplier. The obligation to indemnify shall not apply if the supplier is not responsible for breaching the intellectual property rights of third parties.

12. Force Majeure

- 12.1. If the CUSTOMER is hindered in the fulfillment of its contractual obligations – and in particular in the acceptance of products – due to force majeure, the CUSTOMER shall be exempt from the obligation to perform for the duration of the impediment and for a reasonable restart period, without being obligated to pay the supplier compensation. The same shall apply if it becomes unreasonably difficult or temporarily impossible for the CUSTOMER to fulfill its obligations due to unforeseeable circumstances that cannot be attributed to the CUSTOMER, including, in particular, industrial action, official measures, energy shortfall, or major operational disruptions. The CUSTOMER may refuse to accept the products if such circumstances hinder the sale of the products as a result of a decrease in demand. This shall also apply if such circumstances occur at a point at which the CUSTOMER is in default of acceptance.

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- 12.2. The CUSTOMER shall be entitled to withdraw from the contract if such an impediment lasts more than four months and the fulfillment of the contract is no longer of interest to the CUSTOMER as a result of the impediment. Once the deadline has expired, the CUSTOMER shall – at the request of the supplier – state whether the CUSTOMER is to assert its right to withdraw or whether it shall accept the products within a reasonable period.
- 13. Liability of the CUSTOMER**
- 13.1. The CUSTOMER shall be liable without restriction for damages arising from the breach of a warranty or arising from injury to life, limb, or health. The same applies to intent and gross negligence or in the event that the CUSTOMER has assumed a procurement risk. In the case of slight negligence, the CUSTOMER shall only be liable if important obligations are breached which result from the nature of the contract and which are of particular significance with regard to the achievement of the contractual purpose. In the event of a breach of such obligations, default, and impossibility, the liability of the CUSTOMER shall be limited to such damage which is typically to be expected in the course of the contract. Mandatory statutory liability for product faults shall remain unaffected.
- 13.2. If the liability of the CUSTOMER is excluded or limited, this also applies to the personal liability of the salaried and non-salaried employees, representatives, and vicarious agents of the CUSTOMER.
- 14. Provision of Materials**
- 14.1. If the CUSTOMER makes goods or tools available to the supplier that the supplier shall require for the manufacturer of the goods to be delivered or the service to be provided (hereinafter referred to as "supplied goods"), the supplier undertakes to collect the supplied goods from the CUSTOMER at its own expense and risk, unless otherwise agreed in writing.
- 14.2. The supplier is not entitled to pledge the supplied goods, assign them by way of security, or make any other dispositions that put the ownership of the CUSTOMER at risk. In the event of seizure or other interventions by third parties, the supplier must notify the CUSTOMER in writing without delay and provide all necessary information, inform the third parties about CUSTOMER's rights of ownership, and cooperate with the measures proposed by the CUSTOMER to protect the supplied goods. If the third party is not in a position to reimburse the CUSTOMER for the judicial and extra-judicial costs for the assertion of the ownership rights of the CUSTOMER, the supplier shall be obligated to compensate the CUSTOMER for the resulting loss. This does not apply if the supplier is not responsible for the breach of obligation.
- 14.3. The supplier undertakes to handle and store the supplied goods with care. The supplier undertakes – at its own expense – to insure the supplied goods at their value when new against any damage caused by fire, water, or theft. At the same time, it shall cede all claims for damages arising from this insurance to the CUSTOMER. The CUSTOMER hereby accepts the assignment. If an assignment is not permissible in accordance with the insurance contract, the supplier shall hereby instruct the insurer that any payments are only to be made to the CUSTOMER. Further legal claims on the part of the CUSTOMER shall remain unaffected by this. Upon request, the supplier must demonstrate to the CUSTOMER that insurance has been taken out and is maintained. If the supplier does not adequately fulfill its obligations with respect to paragraphs 2 to 4, the CUSTOMER shall be entitled, but is not obligated, to take out an appropriate insurance policy at the expense of the supplier.
- 14.4. If the supplied goods are processed or transformed by the the supplier, this is always done on behalf of the CUSTOMER. The CUSTOMER'S ownership of the supplied goods continues with the processed or transformed item. If the supplied goods are processed or transformed with other items that do not belong to the supplier, the CUSTOMER shall acquire co-ownership of the new item as a proportion reflecting the value of the supplied goods in relation to the other processed items at the time when processing or transformation took place. The same applies if the supplied goods are combined or mixed with other items that do not belong to the supplier, meaning that the CUSTOMER loses its full ownership. The supplier shall store the new items for the CUSTOMER. The same provisions as those for the supplied goods also apply for items created as a result of processing or transformation as well as combination or mixing.
- 14.5. At the request of the CUSTOMER, the supplier shall create inventory lists of the supplied goods received by the supplier.
- 14.6. The supplier may only use the supplied goods for the manufacture and delivery of the ordered products or in accordance with other requirements of the CUSTOMER.
- 14.7. Products which the supplier manufactures entirely or partially in accordance with the requirements of the CUSTOMER or using the supplied goods provided by the CUSTOMER may only be used by the supplier itself, or offered, delivered, or made available in any other way to third parties with the prior written consent of the CUSTOMER. This also applies to products which the CUSTOMER has legitimately not accepted. In the event of violations, the supplier must pay the CUSTOMER a contractual penalty to the value of the products concerned plus 10% of the net value, unless the supplier is not responsible for the violation. Further claims on the part of the CUSTOMER shall remain unaffected.
- 14.8. The supplier undertakes to compensate the CUSTOMER for any damage that the CUSTOMER suffers as a result of the loss, destruction, or other damage to the supplied goods, unless the supplier is not responsible for the loss, destruction, or other damage to the supplied goods. The supplier shall notify the CUSTOMER of the loss, destruction, or other damage in writing without delay.
- 14.9. The supplier shall return the supplied goods to the CUSTOMER without delay at the end of the contractual relationship. The same applies if there is no longer any need for the supplied goods. Transportation of the goods back to the CUSTOMER shall be at the expense and risk of the supplier. The supplier undertakes to compensate the CUSTOMER for any wear or other deterioration to the supplied goods that goes beyond usual wear and tear, unless the supplier is not responsible for the wear or other deterioration beyond usual wear and tear.
- 15. Confidentiality, Data Protection**
- 15.1. The parties undertake to keep confidential for a period of five years from delivery all information made available to them which is designated as confidential or which, based on other circumstances, is identifiable as trade or company secrets. The parties also undertake not to record, disclose, or exploit this information, unless it is necessary to do so in the interests of the business relationship.
- 15.2. The obligation to maintain confidentiality does not apply if the information of the receiving party was already known prior to the contractual relationship or if it was in the public domain or generally accessible prior to the contractual relationship, or if it is in the public domain or is generally accessible through no fault of the receiving party. The burden of proof rests with the receiving party.

General Terms and Conditions of Purchase

- 15.3. The parties shall conclude appropriate contractual agreements with the employees and workers they engage, in particular their freelance workers, contractors, and service providers, to ensure that these workers also refrain from exploiting, disclosing, or making unauthorized recordings of any such business and trade secrets for the period of five years from the point of delivery.
- 15.4. The parties undertake to process personal data exclusively in accordance with the applicable provisions of data protection legislation, in particular the EU General Data Protection Regulation (GDPR).
- 15.5. The processing of personal data relating to the supplier is necessary in order to execute the contract concluded with the supplier. The CUSTOMER hereby processes the contact, purchase order, and payment information of the seller for the purposes of executing the contract (Article 6, Paragraph 1. (b) of the GDPR). In accordance with Article 13 of the GDPR, the CUSTOMER shall inform the supplier separately of any further processing.
- 15.6. Unless explicitly agreed otherwise, the supplier may only process personal data provided to it by the CUSTOMER for the purposes of executing the contract. If the processing of personal data by the supplier on behalf of the CUSTOMER is the subject matter of the contract, the parties shall also conclude an agreement regarding the processing of the order in accordance with Article 28 of the GDPR.
- 15.7. Our privacy policy can be found under the following link:
<https://www.richard-wolf.com/de/metanavigation/datenschutzerklaerung.html>

16. Social and Ecological Minimum Standards

- 16.1. The supplier undertakes to comply with the applicable statutory regulations regarding treatment of employees, environmental protection, and occupational safety, and to endeavor in their work to reduce detrimental effects on humans and the environment. Furthermore, the supplier shall comply with the core labour standards of the International Labour Organization (ILO) and the principles of the UN Global Compact Initiative. These essentially concern the protection of international human rights, the right to collective bargaining, the abolition of forced labor and child labor, the elimination of discrimination in employment and occupation, responsibility for the environment, and the prevention of corruption. Further information concerning the ILO and the UN Global Compact Initiative is available at www.ilo.org and www.unglobalcompact.org.
- 16.2. In the event of violations against these fundamental social and ecological minimum standards by the supplier or its employees, subcontractors, subsuppliers, and agents, the CUSTOMER shall be entitled to set the supplier a reasonable period to remedy the violation. If this period expires without result, the CUSTOMER shall be entitled to terminate this contract without notice and to cancel any purchase orders without notice.

17. Final Provisions

- 17.1. The supplier shall only be entitled to transfer rights and obligations to third parties or to have a purchase order or substantial parts of a purchase order executed by third parties with the prior written consent of the CUSTOMER.
- 17.2. Payments shall only be made to the supplier. The supplier shall only be entitled to offset counterclaims if they are legally established or undisputed. The supplier can only assert a right of retention if its counterclaim is based on the same contractual relationship.
- 17.3. Subsuppliers of the supplier are deemed to be its vicarious agents. On request, they are to be communicated to the CUSTOMER in writing without delay.
- 17.4. The legal relationships between the supplier and the CUSTOMER are governed by the law of the Federal Republic of Germany to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 17.5. The exclusive legal venue for all disputes arising from the business relationship between the supplier and the CUSTOMER shall be the registered office of the CUSTOMER. The CUSTOMER shall also be entitled to bring legal proceedings at the registered office of the supplier as well as at any other permissible legal venue.
- 17.6. The place of performance for all obligations of the supplier and the CUSTOMER is the registered office of the CUSTOMER, unless otherwise agreed in writing.
- 17.7. The language of the contract is German.
- 17.8. If a provision of these General Terms and Conditions of Purchase is or becomes invalid or unworkable, or if any gaps exist in these General Terms and Conditions of Purchase, the validity of the remaining provisions shall not be affected. It is agreed that the invalid or unworkable provision shall be replaced by a valid or workable provision that comes as close as possible to the purpose of the invalid or unworkable provision. In the event of a gap, it is agreed that a provision shall be introduced which corresponds to what would have been agreed for the purposes of these General Terms and Conditions of Purchase, had the contracting parties considered the matter from the start.

Knittlingen, June 2018