I. Relevant conditions

 These terms and conditions shall apply exclusively to all purchases from Chemnitzer Zahnradfabrik GmbH & Co. KG (hereinafter "Chemnitzer Zahnradfabrik"). Amendments to and deviations from these terms and conditions shall only apply if expressly confirmed in writing by Chemnitzer Zahnradfabrik. Contradictory terms and conditions of the supplier shall not apply even if they have not been expressly objected to in individual cases. Payments or unconditional acceptance of services by Chemnitzer Zahnradfabrik do not constitute recognition of third-party terms and conditions, even if these were known.

II. Offer, order and order confirmation

- 1. Chemnitzer Zahnradfabrik shall not grant any remuneration for the preparation of offers, cost estimates or other planning.
- 2. The supplier is obliged to point out increased risks, e.g. long delivery times, unusually high processing costs or discontinued products, already at the offer stage. If this is not done, Chemnitzer Zahnradfabrik is entitled to revoke the offer.
- 3. A contract shall only be concluded upon written confirmation of an offer. Deliveries which have not been executed on the basis of written orders shall not be recognized.
- 4. Verbally placed orders or agreements shall only become binding upon written confirmation. The written form shall also be complied with by transmission by e-mail.
- 5. The supplier shall point out obvious errors (e.g. spelling or calculation errors), incompleteness or other inaccuracies in the order for the purpose of correction before acceptance.
- 6. The supplier is obliged to confirm the order in writing without delay. If the order confirmation is not received within five working days, Chemnitzer Zahnradfabrik is entitled to revoke the order.
- 7. Within the scope of reasonableness, Chemnitzer Zahnradfabrik may demand changes to the delivery item in terms of construction, design and the quantity ordered. In this case, the effects, in particular on additional and reduced costs as well as on delivery dates, are to be settled appropriately by mutual agreement.
- 8. The supplier may not transfer the rights and obligations arising from our orders to third parties or have claims against us collected by third parties without our prior written consent.

III. Prices and terms of payment

- 1. The prices shown in the order are fixed prices which do not include the statutory value added tax.
- 2. Chemnitzer Zahnradfabrik reserves the right to withhold payments until complete receipt of the goods free of defects including handover of the documents and records agreed in writing.
- 3. In the event of defective delivery, Chemnitzer Zahnradfabrik shall be entitled to withhold payment proportionally to the value until proper performance. Chemnitzer Zahnradfabrik may charge the supplier a lump sum of EUR 120.00 for the preparation of an official quality report.
- 4. Unless otherwise agreed in individual cases, Chemnitzer Zahnradfabrik shall pay the supplier's invoices upon receipt within 14 days with a 2 % discount or within 30 days without deduction.
- Invoices not received by the 3rd day after the end of the delivery month will only be settled at the end of the month following receipt of the invoice at unchanged conditions and without interest payment.

IV. Quality and documentation

1. The requirements for the supplier's quality assurance measures are based on the requirements of DIN EN ISO 9001:2015.

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- 2. The supplier shall ensure that production, testing and delivery always take place in accordance with the latest technical documents available to him. Particular attention must be paid to the version / index of the drawing. Chemnitzer Zahnradfabrik must be informed immediately in writing of any deviations.
- 3. The supplier is responsible for the proper delivery of the products in accordance with the specifications and quality and for the handling of products provided, as well as for the control of its production processes.
- 4. He undertakes to take quality assurance measures into account in the manufacture of his products and services. He shall draw up suitable quality planning and determine an inspection concept as well as the type of documentation on his own responsibility.
- 5. The supplier is obliged to document product tests and approvals. This also applies to initial sampling and special releases. All records which serve as proof that the quality requirements have been fulfilled are subject to a retention period of 10 years from the date of creation. Upon request by Chemnitzer Zahnradfabrik, the aforementioned documents must be submitted in individual cases.
- 6. Orders placed by Chemnitzer Zahnradfabrik are subject to the proviso that the raw materials or products supplied comply with the directives 2011/65/EU (RoHS2), 2015/863/EU (RoHS3) as well as the EC Regulation No. 1907/2006 (REACH) as well as EU 2022/428. Should this not be the case, the supplier is obliged to submit alternative proposals.

V. Rework and special releases

- Reworking may be carried out by the supplier if it can be seen that this does not result in any deviation from the requirements from the technical documents or any impairment of the product. Chemnitzer Zahnradfabrik must be consulted in the event of reworking that may affect the material (e.g. welding). Before delivery to Chemnitzer Zahnradfabrik, reworked products must be subjected to a renewed inspection.
- 2. If an impairment cannot be excluded, a special written release must be obtained from Chemnitzer Zahnradfabrik.
- 3. A copy of the special release must be enclosed with the delivery and noted in the delivery documentation.

VI. Delivery and Service Deadlines and Delay in Delivery and Service Delay in Performance

- 1. The delivery times and delivery periods stated in the order are binding. The date of receipt of the goods by Chemnitzer Zahnradfabrik is decisive for compliance.
- 2. If delays are to be expected or have occurred, the supplier is obliged to inform Chemnitzer Zahnradfabrik immediately in writing and to agree on a new binding delivery date without delay.
- 3. If the supplier is in default of delivery or performance, Chemnitzer Zahnradfabrik shall be entitled to the statutory claims. In particular, Chemnitzer Zahnradfabrik has the right to claim damages instead of performance after the fruitless expiry of a reasonable grace period. The claim to the delivery or service is only excluded when the supplier has paid the damages.

VII. Condition, labelling and packaging

- 1. The Chemnitzer Zahnradfabrik order and article number as well as partial and total delivery identification must be indicated on the delivery note and invoice.
- 2. Deliveries and services must comply with the statutory provisions, in particular the safety and environmental protection regulations. Likewise, each supplier is obliged to determine and comply with the current status of the directives and laws relevant to its components with regard to substance restrictions.
- Deliveries and services must comply with the specifications, drawings and other information stated in the order. They shall be executed in such a way that the statutory and official regulations

- 4. The supplier shall ensure with regard to its handling and packaging that any damage, contamination, corrosion or impairment of the products due to transport or weather influences is excluded.
- 5. The supplier must take back packaging material free of charge at the request of Chemnitzer Zahnradfabrik. Costs for packaging will not be reimbursed.

VIII. Dispatch, transfer of risk, acceptance, partial deliveries and services

- Unless otherwise agreed in individual cases, the delivery/service shall be made free of freight and charges to our works in Chemnitz or to the place of performance specified by us. Insofar as the supplier is responsible for organising the transport and nothing to the contrary has been expressly agreed, the most cost-effective route for fulfilment in accordance with the contract shall be chosen. The consignments shall in any case travel at the risk of the supplier.
- 2. Chemnitzer Zahnradfabrik reserves the right to name a specific forwarder bindingly in the order.
- 3. In the case of deliveries, the transfer of risk shall only take place when the goods are delivered free of defects at the place of performance. In the case of deliveries with an installation or assembly obligation, the transfer of risk shall only take place upon acceptance without defects documented by a countersigned protocol. Commissioning or use does not replace acceptance.
- 4. Partial, excess and short deliveries are only permissible after prior agreement.

IX. Retention of title

- 1. Ownership of the delivered goods shall pass to Chemnitzer Zahnradfabrik after agreement and handover. Any extended or expanded retention of title is excluded.
- 2. Due to the retention of title, the supplier can only demand the return of the goods if he has previously withdrawn from the contract.
- 3. If parts are provided to the supplier, Chemnitzer Zahnradfabrik retains ownership of these parts. Processing or transformation by the supplier is carried out for us.
- 4. If the security interests to which Chemnitzer Zahnradfabrik is entitled exceed the purchase price of all reserved goods not yet paid for by more than 20%, Chemnitzer Zahnradfabrik is obliged to release the security interests at the supplier's request.

X. Liability for defects and warranty

- 1. The supplier shall provide the goods free of material defects and defects of title.
- Upon receipt, the goods shall be inspected for any deviations in quality or quantity to the extent reasonable and technically possible for Chemnitzer Zahnradfabrik. Chemnitzer Zahnradfabrik must notify the supplier in writing of any defects in the delivery detected in this process.
- 3. The limitation period for claims for defects is 36 months beginning with the transfer of risk, unless a longer limitation period applies under the statutory provisions.
- 4. Chemnitzer Zahnradfabrik shall be entitled to the statutory claims for defects in full. Chemnitzer Zahnradfabrik has the right to demand that a supplier either rectifies the defect or delivers a new item. In this case, the supplier is obliged to bear all expenses necessary for the purpose of rectifying the defect or delivering a replacement.
- 5. Chemnitzer Zahnradfabrik is entitled to remedy the defect itself at the supplier's expense if the supplier was not able to remedy the defect within the period set.

- It is not necessary to set a deadline for rectification if it is no longer possible for Chemnitzer Zahnradfabrik to set a deadline for the supplier due to particular urgency.
- 7. The right to claim damages, in particular damages in lieu of performance, is expressly reserved.

XI. Confidentiality and other provisions

- The supplier may not transfer the rights and obligations arising from the order to third parties without the prior written consent of Chemnitzer Zahnradfabrik or have claims against us collected by third parties.
- 2. The contracting parties undertake to treat as business secrets all commercial and technical details which are not in the public domain and which become known to them through the business relationship.
- 3. The supplier is obliged to treat all illustrations, drawings, calculations, other information as well as samples and models received in strict confidence and to use them only for the execution of Chemnitzer Zahnradfabrik's orders and not to reproduce them under any circumstances. These and the products manufactured according to our specifications, drawings, samples, etc. may neither be delivered to third parties nor handed over to third parties without our prior written consent.
- 4. This confidentiality obligation shall continue beyond the end of the individual orders, even if no further orders are placed.
- 5. The contracting parties may only advertise their business relationship with prior written consent.
- 6. Subcontractors shall also be bound within the meaning of this agreement.

XII. Applicable law, place of performance and place of jurisdiction

- All legal relations shall be governed exclusively by the law of the Federal Republic of Germany to the exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG) of 11 April 1980.
- 2. Place of performance and jurisdiction is Chemnitz.

XIII. Severability clause

- 1. Should individual provisions of the foregoing terms and conditions be or become invalid, the remaining provisions shall remain unaffected thereby.
- 2. The parties are obliged to replace the invalid provision that comes closest in economic terms to the purpose of the invalid provision.

Version valid as of: July 2024