



**General Conditions of Purchase  
for the Ordering of Goods and Services  
by IDEAL-Werk C.+E. Jungeblodt GmbH + Co. KG (“IDEAL”)**

Version: February 2021

**A. General Provisions**

1. The legal relations between IDEAL and the supplier (both hereinafter collectively referred to as “parties” and individually also as “party”) in connection with the ordering of goods and services by IDEAL (hereinafter collectively referred to as “deliveries”) are exclusively subject to these general conditions of purchase (“GCP”) and, if applicable, additional conditions, if reference is made to them in the inquiry and/or order from IDEAL. These GCP shall also apply to all future inquiries, orders and agreements, even if IDEAL does not expressly indicate them.

Supplier's general terms and conditions shall apply only if expressly accepted by IDEAL in writing. The supplier's conditions also do not apply if IDEAL accepts a delivery or service of any kind without reservation or makes a payment.

2. Cost proposals and offers from the supplier are binding and not to be paid for.
3. Orders, agreements and changes shall only be binding if they are issued or confirmed in writing by IDEAL. Agreements made verbally or by telephone require subsequent written confirmation by IDEAL in order to be legally valid. The same shall apply to verbal side agreements and additions as well as changes to the contract. Inquiries and orders from IDEAL as well as offers and order confirmations from the supplier are sufficient if the documents are sent by fax or e-mail.
4. Should IDEAL's orders not contain an express binding period, the supplier shall be obliged to confirm the order within a period of one week from the date of the same. The receipt of the written order confirmation by IDEAL shall be decisive for the timely acceptance. If the supplier's order confirmation deviates from the order, IDEAL must be expressly informed thereof. In this case, a contract shall only be concluded upon IDEAL's written consent to the deviations. If IDEAL fails to respond to an order confirmation that differs from the order, it shall be considered a rejection.
5. IDEAL shall be entitled to demand changes to the goods, services or other contractual conditions (such as delivery or service dates) within the framework of what is reasonable for the supplier, even after the conclusion of the contract.
6. Documents, drawings, plans and sketches, as well as other IDEAL know-how that IDEAL leaves to the supplier for the preparation of the ordered delivery and/or service in whatever form, shall remain IDEAL's property. They consist in trade secrets of IDEAL and are to be treated confidentially. The supplier undertakes to treat this knowledge at least as confidentially as it treats and protects its own sensitive information, data, know-how and business secrets as confidential. It will only make the confidential documents available to those employees who need them for the execution of the contract and who in turn are obliged to maintain confidentiality, not to make them available to third parties, to make copies only for the purpose of executing the order and after execution of the delivery/service to return all documents including the copies to IDEAL or to destroy them at IDEAL's option.

**B. Quality, quality assurance, condition, spare parts supply**

1. The supplier shall guarantee a delivery execution that is of high quality and proper in accordance with the order. The goods must have the properties and features specified by IDEAL as agreed quality features. If the supplier has concerns about the properties, constructions, functionality, materials used or other features specified by IDEAL, IDEAL must be informed immediately in writing. The supplier shall also guarantee in particular that the delivery is fully suitable for the specific purpose, corresponds to the latest state of the art (EN, DIN, VDE and similar regulations) and is free of defects in relation to the execution of the drawings, manufacturing errors, material defects, and operating instructions - and assembly instructions, programming (software), etc.
2. The supplier shall undertake to ensure the permanent quality assurance of its goods by using a suitable quality assurance system, e.g. DIN EN ISO 9001 et seq. or equivalent, and quality tests and controls specified by IDEAL or otherwise suitable during and after the manufacture of its goods. It has to create documentation about these tests and keep it for a period of 10 years.
3. IDEAL or a person commissioned by IDEAL shall have the right to request proof of the contractually owed quality of the delivery item as well as the quality assurance system of the supplier and to be informed at any time of the quality or the way in which the tests and inspections are carried out at the supplier's plant or its sub-suppliers as well as to carry out acceptance tests or an audit at the supplier's plant or its sub-suppliers, at the supplier's expense.
4. The supplier must immediately notify IDEAL in writing of any changes in the composition of the processed material or the design of its deliveries or services without being requested to do so. The changes require the written approval of IDEAL.
5. The IDEAL quality assurance guidelines announced to the supplier or the quality assurance agreements made with the supplier are part of the contract.
6. If the order includes the provision of personnel, the supplier shall undertake to make available exclusively selected, competent personnel who meet the legal requirements during the agreed period. By providing the employees, the supplier confirms that it is in possession of a temporary employment agency.
7. If the supplier intends to have deliveries or services performed completely or predominantly by a sub-supplier, it must notify IDEAL thereof in advance. In this case, subcontracting requires the written consent of IDEAL.
8. All units, systems, components and individual parts must meet the health and safety conditions in accordance with the EU regulations and guidelines, the DGUV, the regulations of the Product Safety Act (Verordnungen des Produktsicherheitsgesetzes ProdSG) and the state of the art in terms of safety and occupational medicine.
9. In the case of a design service by the supplier, it shall be obliged to carry out a risk assessment. To do this, the supplier determines which basic safety and health protection requirements apply to its machine, takes the appropriate measures, carries out the design with the measures taken and



verifies that the design conforms to the provisions of the EU directive. The created risk assessment shall be part of the scope of delivery. In the case of built-in machines, operating instructions must be supplied in addition to the assembly instructions.

10. If the supplier builds a control cabinet on its own responsibility according to the requirements of IDEAL and this control cabinet contains components for the implementation of a safety function, the supplier must draw up an EC declaration of conformity in accordance with the Machinery Directive and the EMC Directive with CE marking and deliver it to IDEAL. If the control cabinet does not contain any safety-relevant components, the manufacturer creates an EC declaration of conformity in accordance with the low-voltage directive and EMC directive for the control cabinet with CE marking.
11. The supplier shall confirm and assure that all goods to be delivered meet the requirements of the EU Chemicals Regulation for the registration, evaluation, approval and restriction of chemical substances (Regulation (EC) No. 1907/2006; REACH directive on the restriction of the use of certain hazardous substances in electrical engineering - and electronic devices (Directive 2011/65 / EU; "RoHS" Directive), the EU End-of-Life Vehicle Directive (Directive 2000/53 / EC) and the Chemicals Prohibition Ordinance in their currently valid version. Goods that do not meet these requirements may not be delivered to IDEAL.
12. The supplier shall be obliged to keep spare parts for the products delivered to IDEAL for a period of at least 10 years after delivery and to offer IDEAL at reasonable prices (taking into account the usual price increases) and otherwise under the conditions of the original order.
13. If the supplier intends - irrespective of the previous paragraph - to discontinue the production of spare parts for the products delivered to IDEAL, it will inform IDEAL thereof immediately.

#### **C. Delivery, packaging, place of performance and consequences of delays**

1. Unless otherwise agreed, delivery shall take place within Germany DAP (according to Incoterms 2020) to the location specified in the order. The dates and deadlines specified in the order shall be binding. The receipt of the goods or the acceptance-ready completion or handover of the work or the contractual item at the place of delivery/performance specified in the order ("place of performance") shall be decisive for compliance with the delivery/service date.
2. The supplier has to choose the most advantageous solution for IDEAL with regard to the type of transport and transit time.
3. When packaging, the legally applicable European and packaging regulations of the country of destination must be observed. Hazardous goods must be packed in accordance with the applicable laws, labelled according to the classification and the safety data sheets supplied. The supplier shall be liable for damage caused by improper packaging during transport or intermediate storage.
4. Regardless of whether the packaging consists in transport, sales or outer packaging, the supplier declares that it is ready to take it back free of charge after use and to reuse it or to recycle it. If the supplier requests packaging materials to be returned, this must be clearly marked on the delivery papers. The return shall be at the expense of the supplier.
5. All shipping documents and all documents related to the delivery contract must contain the item description, the IDEAL material and order number, the order date, the order quantity and the type

of packaging. The supplier shall be liable for the consequences of incorrect waybill declarations.

6. If, in addition to the goods, the delivery of documents and documentation, such as test reports, tools, drawings, plans, certificates of conformity, spare parts lists, operating instructions and repair manuals, etc. is contractually agreed or required by legal provisions (laws and ordinances), the delivery and service are only deemed to have taken place when all documents and documentation have been handed over.
7. If the supplier does not provide its contractual performance or does not provide it within the agreed delivery period or if it is in default, the rights of IDEAL shall be determined in accordance with the statutory provisions. The regulations of No. 9 of this Section C remain unaffected.
8. In the event of imminent default or other failures, the supplier shall be obliged to inform IDEAL immediately in writing, stating the reasons, the maximum possible length of the delay and the measures it has taken. If the seller violates this notification obligation, it shall also be liable for delivery delays for which it is not responsible. A new delivery date specified by the supplier shall not be recognised by not responding to this notification. In the event of a delay, the supplier will take all necessary measures so that the agreed delivery date can be met or that there is only a minimal delay.
9. In the event of a delay in delivery and/or service, IDEAL may claim a compensation as liquidated damages of 0.5% of the value of the delivery/service for each full week of the delay in delivery, in total, however, not more than 5% of the contract value in default of delivery/service. Further legal claims (withdrawal and compensation instead of performance) remain reserved. IDEAL shall reserve the right to assert proven higher damage. The contractual penalty shall be credited against this compensation.
10. The unconditional acceptance of the delayed delivery or service does not constitute a waiver of the compensation claims IDEAL is entitled to on account of the delayed delivery or service.
11. Early deliveries and partial deliveries require the written consent of IDEAL. If (partial) deliveries are made earlier than agreed, IDEAL shall reserve the right to return or store the goods delivered too early at the risk and expense of the supplier. In the event of early delivery, IDEAL particularly reserves the right to make payment on the agreed due date. Subject to all other payment requirements, the payment deadlines specified in Section G No. 5 only apply from the agreed delivery date.

#### **D. Transfer of risk**

1. The passing of risk for the delivery shall take place in accordance with the respectively agreed Incoterms clause. Failing individual stipulation between the Parties, all supplies of products shall occur DAP IDEAL's premises at Lippstadt, Germany, as defined in the Incoterms 2020.
2. If services beyond the delivery (e.g. assembly and commissioning) have been agreed, the passing of risk shall only take place upon acceptance of the work.

#### **E. Force majeure**

1. If non-observance of times set for performance is due to Force Majeure, such times shall be extended accordingly.

"Force Majeure" means the occurrence of an event or circumstance that prevents or impedes a party from performing one or more of its contractual obligations under the contract, if and to the extent that party proves: [a] that such impediment is



beyond its reasonable control; and [b] that it could not reasonably have been foreseen at the time of the conclusion of the contract; and [c] that the effects of the impediment could not reasonably have been avoided or overcome by the affected party.

In the absence of proof to the contrary, the following events affecting a party shall be presumed to fulfil conditions (a) and (b) of this clause: (i) war (whether declared or not), hostilities, invasion, act of foreign enemies, extensive military mobilisation; (ii) civil war, riot, rebellion and revolution, military or usurped power, insurrection, act of terrorism, sabotage or piracy; (iii) currency and trade restriction, embargo, sanction; (iv) act of authority whether lawful or unlawful, compliance with any law or governmental order, expropriation, seizure of works, requisition, nationalisation; (v) plague, epidemic, natural disaster or extreme natural event; (vi) explosion, fire, destruction of equipment, prolonged break-down of transport, telecommunication, information system or energy; (vii) general labour disturbance such as boycott, strike and lock-out, go-slow, occupation of factories and premises.

2. A party successfully invoking Force Majeure is relieved from its duty to perform its obligations under the contract and from any liability in damages or from any other contractual remedy for breach of contract, from the time at which the impediment causes inability to perform, provided that the notice thereof is given without delay. If notice thereof is not given without delay, the relief is effective from the time at which notice thereof reaches the other party. Where the effect of the impediment or event invoked is temporary, the above consequences shall apply only as long as the impediment invoked impedes performance by the affected party. Unless otherwise agreed, the parties expressly agree that the contract may be terminated by either party if the duration of the impediment exceeds 6 months.
3. If a party proves that:
  - a) the continued performance of its contractual duties has become excessively onerous due to an event beyond its reasonable control which it could not reasonably have been expected to have taken into account at the time of the conclusion of the contract; and that
  - b) it could not reasonably have avoided or overcome the event or its consequences,

the parties shall be bound, notwithstanding No. 2 of this Section E, within a reasonable time of the invocation of this clause, to negotiate alternative contractual terms which reasonably allow to overcome the consequences of the event.

4. Where the foregoing No. 3 of this clause D applies, but where the parties have been unable to agree upon alternative contractual terms as provided for in that paragraph, either party shall be entitled to request the judge or the arbitrator or the arbitration tribunal, as the case may be, to adapt the contract with a view to restoring its equilibrium, or to terminate the contract, as appropriate.

#### **F. Industrial property rights and copyrights**

1. The supplier shall guarantee that the goods delivered by it do not violate any domestic or foreign commercial or other industrial property rights through the delivery, processing, use or resale of the delivery items.
2. The Supplier shall indemnify, defend and hold IDEAL harmless on first demand from and against all liabilities, costs, damages and claims and expenses (including court and legal costs and settlements of such claims and actions) incurred by IDEAL in respect of any claim or action brought against IDEAL by a third

party that the goods or their use by IDEAL or its customers infringe any intellectual property rights or copyrights of that third party. IDEAL shall also be entitled to obtain approval for the use of the delivery items and services in question from the authorised party at the supplier's expense.

3. If the supplier is informed of the allegation of a violation of the rights of third parties, it shall be obliged to take the necessary steps to ensure that IDEAL procures the goods without such an infringement, for example by licensing or redesigning the goods (in accordance with all contractual conditions and quality specifications) or other suitable steps can be taken.

#### **G. Prices, terms of payment, set-off and assignment**

1. The prices stated in the order are fixed prices.
2. The prices are intended for the DAP plant of IDEAL in Lippstadt, Germany (according to Incoterms 2020) including packaging and transport costs and the associated additional costs. The statutory VAT must be shown separately on the invoice.
3. Unless otherwise agreed in writing, the fixed price shall include all services and ancillary services of the supplier (e.g. assembly, installation, etc.) as well as all ancillary costs (e.g. proper packaging, transport including any transport and liability insurance, customs clearance for imports, travel expenses, etc.).
4. Hourly wage work shall be billed using time sheets. Time sheets must be drawn up every working day and countersigned by an authorised IDEAL person before the end of the working day. The signing of time sheets does not constitute an acknowledgement of an (additional) payment obligation, but only serves to determine the actual scope of the services. A remuneration obligation can result solely from the separate commissioning of hourly wage work.
5. Unless otherwise expressly agreed, payment will be made within 14 days of complete delivery and service and receipt of a proper invoice minus a 3% discount or within 30 days net.
6. IDEAL does not owe any maturity interest. The statutory provisions shall apply to the occurrence of default, whereby a written reminder from the supplier is required in any case.
7. IDEAL shall be entitled to set-off and retention rights as well as the defence of non-performance of the contract to the extent permitted by law. In particular, IDEAL shall be entitled to withhold due payments as long as it is still entitled to claims from incomplete or defective services/delivery against the supplier. The supplier shall only have a right of set-off or retention on the basis of counterclaims that have been legally established or are undisputed.
8. Without the prior written consent of IDEAL, the supplier shall not be entitled to assign its claims or have them collected by a third party. If the supplier nevertheless assigns its claims to a third party contrary to the provision in the preceding sentence, the assignment shall nevertheless be effective. However, IDEAL can, at its option, deliver to the supplier or the third party with discharging effect.

#### **H. Invoicing, sending invoices, payment**

1. Invoices must be issued immediately after delivery. The invoice must include the IDEAL order number, article number, article name, article description, article price, quantity, invoice amount, contact person at the supplier, terms of payment and supplier number. Invoices that have not been properly submitted or that do not comply with the aforementioned regulations are only deemed to have been received by IDEAL at the time of correction.



2. The invoice is to be structured according to the order. Any down payments, partial and final invoices are to be designated as such. In the case of work services, the invoices must be accompanied by a performance record (report) signed by IDEAL and the supplier.
  3. Invoices are to be sent electronically, stating the order number, by email (electronic invoice / e-invoicing). Invoices will only be sent to the following email address: rechnung@ideal-werk.com. Subject to an agreement that expressly deviates from e-invoicing, only invoices that are electronically transmitted to the above email address will be recognised as properly.
  4. In the case of import deliveries, a commercial invoice in English and in duplicate must be enclosed with the accompanying documents for customs purposes (in addition to the electronic invoice by e-mail according to the paragraph 1 above).
  5. Payment shall be made subject to the proper performance of the contract and the correctness in terms of price and calculation. In the event of a defective delivery and/or service, IDEAL shall be entitled to withhold payment to a reasonable extent until proper fulfilment.
- I. Acceptance**
- If the supplier owes a work service, formal acceptance by IDEAL shall be required. Acceptance takes place at the option of IDEAL at the supplier's plant or at the place of performance. Unconditional payments do not constitute acceptance or approval of delivery items or a waiver of claims for defects.
- J. Liability for defects**
1. In the event of a material or legal defect, IDEAL shall be entitled to the full statutory warranty claims. The limitation period shall begin with the receipt of the goods at the place of performance or the acceptance of the work. In the event of a new delivery or removal of defects, the warranty period for the corresponding parts shall begin again.
  2. IDEAL's obligation to inspect shall be limited to defects which become obvious during the incoming goods inspection under external inspection including the delivery papers as well as in a quality control in the sampling procedure (e.g. transport damage, wrong delivery and short delivery). Moreover, it depends on the extent to which an investigation, taking into account the circumstances of the individual case, is feasible in the ordinary course of business. IDEAL's obligation to give notice of defects discovered later shall remain unaffected. In all cases, the notification of defects shall be deemed to be immediate and timely if it is received by the supplier within 10 working days.
  3. The supplier must remedy defects within a reasonable period set by IDEAL by means of subsequent improvement or replacement. In principle, IDEAL shall have the right to choose the type of supplementary performance. The place of performance for the obligation to supplementary performance shall be the place where the defective goods are located.
  4. If the supplier does not meet its obligation to provide supplementary performance within a reasonable period, IDEAL can remedy the defect itself and demand reimbursement of the necessary expenses or a corresponding advance payment from the supplier. If subsequent performance by the supplier has failed or is unreasonable for IDEAL (e.g. due to particular urgency, endangerment of operational safety or avoidance/reduction of damage) or if the supplier refuses to remedy the defect, no deadline need be set; IDEAL shall notify the supplier of such circumstances immediately, if possible in advance.
5. Upon receipt of the written notification of defects by the supplier, the statute of limitations for warranty claims is suspended until the supplier rejects IDEAL's claims or declares the defect to have been remedied or otherwise refuses to continue negotiations on claims.
  6. If claims are made against IDEAL by third parties because the rights of third parties are violated in connection with the delivery/service of the supplier, the supplier shall be obliged to release IDEAL from these claims upon first written request. The supplier's obligation to indemnify relates to all expenses necessarily incurred by IDEAL from or in connection with the claim by a third party.
  7. If technical documents supplied by the supplier, on the basis of which equipment was manufactured or procured by IDEAL or by end customers, are faulty, the supplier shall correct the technical documents at its own expense and reimburse IDEAL or the end customer for the costs of any modifications, repairs and/or replacements of these designs which are therefore necessary.
  8. If IDEAL notifies the supplier of the purpose and location of the goods to be delivered/the services to be performed, the supplier shall guarantee the suitability of its delivery and service for this purpose or location.
  9. If dismantling and installation costs are incurred as part of the subsequent performance as a result of the defect, the supplier shall be obliged to bear these costs as well as the transport costs of the replacement delivery part to/from the place of use in those cases in which it was obliged to install the delivery part as part of the delivery or it is responsible for the defect.
  10. In relation to the supplier, the statutory provisions on supplier recourse according to §§ 445a and 445b BGB shall apply.
- K. Software**
1. IDEAL shall be entitled to an exclusive, worldwide, unlimited and irrevocable right to use software that is part of the scope of delivery, including its documentation, with the agreed performance features and to the extent required for the contractual use of the software or permitted by law (§§ 69a et seq. UrhG). IDEAL shall be entitled to make backup copies without the consent of the supplier.
  2. The supplier shall be obliged to check the software for viruses, Trojans and other computer threats using current, commercially available virus protection programmes and to ensure that the software supplied is free from such threats before it is delivered or installed on a system of IDEAL or its end customers.
- L. Product liability, compliance and hazardous substances**
1. If a claim is made against IDEAL by a third party due to personal injury or damage to property by way of product and/or producer liability and if this damage is attributable to a product of the supplier, the supplier shall - insofar as it is itself liable in the external relationship - indemnify IDEAL against this claim on first demand. As part of its liability, the supplier shall also be obliged to reimburse IDEAL for any expenses arising from or in connection with a warning or recall campaign carried out by IDEAL. IDEAL shall inform the supplier of the content and scope of the measures to be carried out - insofar as this is possible and reasonable - or coordinate them with the supplier. Other statutory claims from product liability shall remain unaffected.
  2. Unless otherwise agreed in writing with IDEAL, the supplier must take out business, product and environmental liability insurance with a lump sum coverage of at least EUR 5 million per personal injury/property damage. In addition, the supplier must maintain financial loss coverage of at least EUR 1 million. Before the first



delivery and then at least once a year, the supplier must provide IDEAL with written evidence of the existing insurance coverage without being asked.

If IDEAL is entitled to further claims for damages, these shall remain unaffected.

3. The supplier shall undertake to comply with the legal provisions applicable at its headquarters and at the place of performance.
4. The supplier warrants that in or in connection with the manufacture and distribution of its goods or the provision of its services, the statutory provisions, including the laws on the protection of the environment, are complied with, labour law provisions and laws on the health of employees are observed, and child labour and forced labour are not tolerated.
5. The supplier also confirms that it will refrain from any behaviour that could lead to criminal liability for fraud or breach of trust, insolvency offences, offences against competition, granting of advantages or bribery of persons employed by IDEAL or other third parties.
6. The supplier shall be obliged to oblige its sub-suppliers in the same way.
7. If the supplier culpably violates the obligations from this Section L, IDEAL shall be entitled - irrespective of further claims - to withdraw from the contract or to terminate the contract in accordance with the statutory provisions. Irrespective of any provisions to the contrary in the contract, the supplier must indemnify and hold harmless IDEAL without restriction with regard to all liabilities, compensation, costs or expenses resulting from such a breach and the termination of the contract or from export restrictions that have been concealed by the supplier.
8. For materials and objects (e.g. hazardous substances, technical equipment or parts thereof) from which, due to their nature, their properties or their condition, dangers of injury to life, body or health of people cannot be excluded or dangers for the environment as well as for property and which therefore have to undergo special treatment due to regulations in relation to packaging, transport, storage, handling and waste disposal, the supplier will provide IDEAL with its offer, but no later than the delivery of the goods, a fully completed safety data sheet in accordance with the statutory provisions (including Regulation [EC] No. 1907/2006 [REACH]) and a relevant accident information sheet (for transport). In the event of changes to the materials or the underlying legal provisions, the supplier must create updated data and information sheets and hand them over to IDEAL immediately.

#### **M. Services at the IDEAL premises**

1. If the supplier or persons commissioned by the supplier provide services on the premises of IDEAL or the end customer, the supplier must ensure that its services comply with the environmental protection, accident prevention and occupational health and safety regulations applicable at the place of performance, as well as other safety-related/relevant rules so that adverse effects on people and the environment are avoided or reduced. For this purpose, the supplier will set up and further develop a management system, e.g. in accordance with DIN EN ISO 14001, DIN EN ISO 18001 or equivalent. IDEAL shall have the right to request proof of the management system operated by the supplier and to carry out an audit in the supplier's company. In the event of non-compliance with the regulations, the supplier shall be liable for all resulting damage and further claims. Any liability on the part of IDEAL for accidents that occur to persons commissioned by the supplier shall be excluded, provided that this does not represent an intentional or grossly negligent breach of duty by IDEAL.

2. Employees of the supplier or third parties commissioned by it who carry out work at the IDEAL premises must observe the provisions of the works regulations. Liability for accidents that occur to these persons on the factory premises shall be excluded, unless they were caused by wilful or grossly negligent breach of duty by a legal representative or by IDEAL's agents.

3. The supplier shall be obliged to indemnify IDEAL from any liability in connection with the supplier's failure to comply with the above-mentioned regulations and/or to compensate IDEAL for damage that arises from the supplier's failure to comply with the regulations or is related to it. The supplier must also take into account the relevant regulations for the disposal of waste and residual materials and inform IDEAL of any product treatment, product storage and disposal requirements.

#### **N. Retention of title, provisions, models, tools**

1. The supplier shall guarantee and assure that the deliveries and services are free of third party rights and that the supplier has unlimited right of disposal. Any third party rights to the contractual items that still exist must be disclosed to IDEAL without being requested to do so. With regard to any reservation of title, its conditions shall apply with the proviso that ownership of the delivered items, products and goods passes to IDEAL through payment by IDEAL and accordingly the extension form of the so-called current account reservation does not apply. Due to the retention of title, the supplier can only reclaim the delivered items and goods if it withdraws from the contract.
2. Production material provided by IDEAL shall remain the property of IDEAL. Processing or reshaping of the production material shall be carried out for IDEAL. If the reserved goods are processed with other items that do not belong to IDEAL, IDEAL shall acquire co-ownership of the new item in the ratio of the value of the item from IDEAL to the other processed items at the time of processing.
3. Models and tools that are manufactured by the supplier at IDEAL's expense become the property of IDEAL after payment. The supplier shall be obliged to carry out any necessary maintenance and inspection work as well as all maintenance and repair work on the tools in good time at its own expense. A resale of the parts manufactured with these models and tools shall not be permitted without the express written approval of IDEAL.
4. The property of IDEAL is to be handled carefully by the supplier, to be used exclusively for the agreed purpose, to be marked as property of IDEAL and - as far as possible - to be stored separately from the other products of the supplier. The supplier shall be obliged to insure IDEAL's property at its own expense at replacement value against fire, water and theft. It has to notify IDEAL immediately of any malfunctions; if it culpably fails to do so, claims for damages shall remain unaffected.

#### **O. Origin of goods and export control**

1. At the request of IDEAL, the supplier shall be obliged to submit a certificate of origin which corresponds to the legal requirements valid on the day of issue. It shall provide this to IDEAL free of charge. If long-term supplier declarations are used, the supplier must notify IDEAL of any changes to the original property upon acceptance of the order, without being requested to do so. The actual country of origin must be stated in the business papers in any case, even if there is no preference entitlement.
2. The supplier shall be obliged to inform IDEAL of any licensing requirements for (re) exports of its goods in accordance with German, European, US American and other applicable export and customs regulations. For this purpose, the supplier shall provide the following information on the order confirmation at the



latest and in any case on every invoice for the relevant goods items: the statistical goods number, the ECL number (Export Control List number) of the EC Dual Use Regulation in the currently valid version or Part I of the Export Control List (Annex AL to the German Foreign Trade Regulation) and the ECCN (Export Control Classification Number) according to US export law.

3. At the request of IDEAL, the supplier shall be obliged to provide it with all further foreign trade data on the goods and their components in writing, as well as to inform IDEAL immediately in writing of any changes to the data mentioned in numbers 1 and 2 of this Section. If the above information is omitted or incorrectly communicated, IDEAL shall be entitled to withdraw from the contract without prejudice to further claims.

#### **P. Withdrawal and termination rights**

In addition to the statutory rights of withdrawal, IDEAL shall be entitled to withdraw from the contract if a significant deterioration in the supplier's financial situation occurs or threatens to occur and this endangers the delivery and service obligation or the fact of insolvency occurs or the supplier ceases its services. IDEAL shall also be entitled to withdraw from the contract if the supplier comes under the dominant influence of a competitor of IDEAL.

#### **Q. General provisions**

1. The use of inquiries, orders and the associated correspondence for advertising purposes shall not be permitted. The supplier may only advertise the business relationship with IDEAL or use it as a reference with the prior written consent of IDEAL.
2. IDEAL shall be entitled to collect, save, use or transmit personal data of the supplier if this is necessary for the execution of the legal transaction or if the persons concerned have given their consent. Affected persons shall have the right to receive information about the data stored about them as well as their processing and use. Any requests for information or the assertion of other data subject rights must always be addressed to IDEAL and will be observed within the framework of national laws.

#### **R. Jurisdiction and Applicable Law**

1. Exclusive venue for all disputes arising directly or indirectly out of the contract shall be IDEAL's place of business. However, IDEAL shall, in its sole discretion, be entitled to also bring an action before the courts having jurisdiction over the supplier's place of business or to submit the dispute to arbitration, in which case arbitration proceedings shall be conducted in accordance with and under the Rules of Arbitration of the International Chamber of Commerce (ICC) in Paris. The place of arbitration shall be Frankfurt/Main (Germany), and the language of the arbitration proceedings shall be German.
2. This contract and its interpretation shall be governed by the German laws excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).

#### **S. Severance clause**

The legal invalidity or impracticability of one or more provisions of this GCP shall in no way affect the validity of the remaining provisions and the contract as such. In such case, the invalid or impracticable clause shall be regarded to be replaced by a legally admissible and practicable clause the legal and economical effects of which come as close as possible to what the invalid or impracticable clause had been intended to achieve.