

## General Purchasing Terms

### 1 Scope

- 1.1 Orders by Vaillant GmbH, having its place of business at Berghauser Straße 40, 42859 Remscheid, Germany and its affiliated companies within the meaning of § 15 AktG [German Stock Companies Act] (hereinafter collectively referred to as "Vaillant Group") are placed exclusively on the basis of these General Purchasing Terms. If an affiliated company uses other purchasing terms, then these shall apply. The ordering company of Vaillant Group is hereinafter referred to as the "Purchaser". General terms and conditions of the Supplier that conflict with or deviate from these General Purchasing Terms shall be deemed accepted only if the Purchaser has acknowledged them in writing as being a supplement to these General Purchasing Terms. These General Purchasing Terms shall apply even if the Purchaser has unconditionally accepted delivery or performance, or has made payment, knowing of the Supplier's general terms and conditions conflicting with or deviating from these General Purchasing Terms.
- 1.2 These General Purchasing Terms shall also apply to all future business transactions with the Supplier until new General Purchasing Terms become valid.
- 1.3 In case the Purchaser enters into separate supply agreements and/or quality assurance agreements with the Supplier or any other agreements in written form deviating from these General Purchasing Terms, these General Purchasing Terms shall apply subordinately and supplementary to such agreements.

### 2 Conclusion and Modifications of Contract, Target Quantities

- 2.1 Orders, contracts and call-offs as well as their modifications and amendments must be in written form. Orders and call-offs can also be submitted via remote data transmission, fax or electronically via the E-Ordering-Platform operated by Vaillant Group. Orders and call-offs are valid without signature, if stated therein.
- 2.2 To become effective, oral agreements after the conclusion of the contract, especially subsequent modifications and amendments of these General Purchasing Terms – including this Clause requiring written form – as well as collateral agreements of any kind also require the Purchaser's written confirmation. Clause 2.1, sentences 2 and 3 remain unaffected.
- 2.3 If the Supplier accepts an order or a call-off, he shall provide the Purchaser with an order confirmation; Clause 2.1 shall apply accordingly. If the Supplier does not accept an order within two weeks from receipt, the Purchaser shall be entitled to revoke such order. Call-offs shall be deemed to have been accepted by the Supplier if the Supplier does not object thereto within one week from receipt; deviating agreements shall remain unaffected.
- 2.4 Target quantities stated in order documents by the Purchaser shall be non-binding forecasts of expected requirements for a specific period and shall not establish an obligation to purchase such quantities.

### 3 Modifications of Products

Modifications of any kind, e. g. deviations of specifications, materials, size, production methods, place of manufacture, transfer of obligation to third parties, require the Purchaser's prior written confirmation. In case the Supplier makes modifications without the Purchaser's prior written confirmation the Purchaser is entitled to withdraw from the contract and to demand compensation for all damages resulting thereof.

### 4 Pricing, Payment Terms, Transfer of Risk, Set off

- 4.1 The price indicated in the order shall be binding. Unless otherwise agreed upon in writing, the prices are to be considered delivered duty paid (DDP – Delivery Duty Paid, ICC Incoterms® 2020) at the Purchaser's receiving location, including also packaging and incidental costs.
- 4.2 Unless otherwise explicitly agreed, the invoice shall be paid within fourteen (14) days by deducting a 3% cash discount or within thirty (30) days without deduction, as of payment due date and the receipt of the goods resp. the performance as well as a correct and verifiable invoice. In particular the full order number has to be included in the invoice.
- 4.3 The Supplier is responsible for the safety of the goods until the goods are accepted by the Purchaser or the Purchaser's local representative to whom the goods must be delivered in accordance with the contract.

- 4.4 The Purchaser has the right to set off all claims of the Purchaser or of any other company of Vaillant Group against all Supplier's claims against the Purchaser. On request, the Purchaser shall name each company covered by this Clause.

### 5 Delivery, Delay in Delivery, Packaging

- 5.1 Delivery periods and delivery dates stated in the order shall be binding. The Supplier shall be obliged to give the Purchaser prompt written notification if circumstances indicating that the agreed delivery period cannot be met occur or become apparent. Observance of the delivery date or the delivery period shall be determined by the time of receipt of the goods at the Purchaser's plant resp. at the place of delivery specified by the Purchaser.
- 5.2 In the event of delay in delivery, the Purchaser shall be entitled to full statutory rights. In the event of delay in delivery the Purchaser shall be entitled to claim a contractual penalty in the amount of 0.5% of the value of the delivery/performance in delay for every full week, however not in excess of 5% of the total order value. The contractual penalty shall be credited against the total claim for damages caused by delay in delivery.
- 5.3 The unconditional acceptance of a delayed delivery or service does not constitute a waiver of claims to which the Purchaser is entitled due to the delayed delivery or service.
- 5.4 The Supplier shall be obliged to exactly quote the Purchaser's purchase order number on all dispatch documents and delivery notes. If it fails to do so, the Purchaser shall not be held responsible for delays in processing.
- 5.5 Partial deliveries are precluded as a rule, unless the Purchaser expressly accepts them.
- 5.6 When delivering the goods the Supplier shall comply with the requirements (regarding packaging and labelling of goods, shipping documents, etc.) described in Vaillant Group's Supplier Logistics Handbook. The Supplier Logistics Handbook will be provided to the Supplier on request and is available for download at [www.vaillant-group.com](http://www.vaillant-group.com) (under Purchasing/ Purchasing Terms).
- 5.7 If the Supplier is responsible for set-up or installation, and unless otherwise agreed upon, the Supplier shall assume all required incidental costs such as travel expenses, availability of tools as well as daily allowances.

### 6 Receiving Inspection, Claims based on Defects

- 6.1 The Purchaser shall only inspect the delivered goods without delay as of its receipt, whether they correspond to the ordered quantity and type and whether there is an externally visible damage. The inspection with regard to compliance with the ordered quantity and type shall be made at least on the basis of the shipping documents. Any further defects as may not be discernible within the frame of the performance of the aforementioned inspection are deemed to be hidden defects. A notification of defect shall be deemed to be within due time if it is sent to the Supplier within a period of two weeks from receipt of the goods or, in the case of hidden defects, from discovery. The Purchaser shall have no further obligations with regard to inspections of goods and notifications of defect.
- 6.2 The legal stipulations regarding defect of quality and defect of title shall apply, unless other provisions are provided below.
- 6.3 Unless otherwise agreed, the limitation period in respect of defects shall be three (3) years and starts with the delivery of the goods (Transfer of Risk). Longer statutory limitation periods remain unaffected.
- 6.4 In principle, the Purchaser shall be entitled to choose the type of fulfilment measure. The Supplier may refuse the type of supplementary performance the Purchaser selected if it is only possible at disproportionate expense.
- 6.5 The Supplier is obliged to pay the Purchaser a lump-sum reimbursement of expenses of EUR 50.00 for every justified complaint. The Purchaser's right to claim further expenses remains unaffected. The Supplier has the right to prove that expenses have either not occurred or are substantially less than the lump-sum.
- 6.6 In the event the Supplier does not immediately begin with the correction of the defect after the Purchaser's request to correct the defect, in urgent cases, especially to ward off imminent risks or to prevent major damage, the Purchaser is entitled to undertake such correction itself or have it undertaken by a third party at the expense of the Supplier.

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- 6.7 The Supplier warrants that no third-party rights are infringed both in the country of destination as well as in the European Union in connection with its delivery. If the Purchaser informs the Supplier prior to the order that the delivery item is intended for another or further countries of destination, the warranty of title shall also extend to these countries. In case of an infringement of third-party rights, the Supplier shall indemnify the Purchaser and other companies of Vaillant Group from such third-party claims on first written request. The aforementioned obligation of indemnification shall apply to all damages and necessary expenses that the Purchaser and, if applicable, other companies of Vaillant Group incur from or in connection with such third party claims. The above shall not apply in case the Supplier is not responsible for the defect of title.
- 6.8 If the Supplier performs its obligation to effect supplementary performance by supplying a substitute product, the statute of limitations of the goods delivered in substitution shall start to run anew after delivery thereof unless, when effecting the supplementary performance, the Supplier explicitly and appropriately made the reservation that the substitute delivery was effected purely as good will, to avoid disputes or in the interests of continuation of the delivery relationship.
- 6.9 Should the Purchaser and/or other companies of Vaillant Group incur expenses as a result of defective supplies or services, in particular transportation, labour costs, costs of material, costs of installation and removal or costs of incoming goods inspection exceeding the extent stipulated in Clause 6.1, such costs shall be borne by the Supplier.
- 6.10 In case the defective delivery causes rework and/or sorting expenditure at the Purchaser and/or at another company of Vaillant Group, the Supplier shall be obliged to pay a lump-sum reimbursement of expenses of EUR 50.00 per employee and full person-hour. The right to claim further expenses remain unaffected. The Supplier has the right to prove that expenses have either not occurred or are substantially less than the lump-sum.
- 6.11 In case the defective delivery causes a production shutdown at the Purchaser and/or at another company of Vaillant Group of more than one hour, the Supplier shall be obliged to pay a lump-sum damage of EUR 100.00 per employee and full person-hour with regard to the production area that is affected by the production shutdown. This shall not apply in case the Supplier is not responsible for the defective delivery. The right to claim further damages remains unaffected. The Supplier has the right to prove that expenses have either not occurred or are substantially less than the lump-sum.
- 6.12 In case the defective delivery requires that a customer service is performed at the Vaillant Group product at the final customer, the Supplier shall be obliged to reimburse the customer service costs incurred thereby to the Purchaser and/or to other companies of Vaillant Group. To the extent provided by law, this shall not apply, if the Supplier is not responsible for the defective delivery. Unless otherwise is agreed in writing, the labour and travel costs resulting from a customer service will be calculated per customer service as a lump sum as follows: EUR 200.00 for customer services in the countries Denmark, Germany, Netherlands, Switzerland, EUR 120.00 for customer services in the countries Austria, Belgium, France, Great Britain and EUR 50.00 in all other countries. The right to claim further customer service costs remains unaffected. The Supplier has the right to prove that customer service costs have either not occurred or are substantially less than the lump-sum.
- 6.13 Deliveries have to be made in accordance with the European Union Regulation 2011/65/EC ("RoHS") regarding the restriction of the use of certain hazardous substances in electrical and electronic equipment as well as in accordance with Art. 59 (1) and Art. 33 of Regulation (EC) No. 1907/2006 ("REACH").

## 7 Product Liability, Indemnification, Insurance Cover

- 7.1 In the event a product liability claim is asserted against the Purchaser and/or other companies of Vaillant Group, the Supplier agrees to indemnify the Purchaser and/or other companies of Vaillant Group from such claims at first request if the damage was caused by a defect of the supply or service and to the extent that the cause of the fault lies within the Supplier's sphere of control and/or organisation and the Supplier is liable itself in relation to third parties. Where the cause of damage falls within the Supplier's area of responsibility, the Supplier shall have the burden of proof in this respect.
- 7.2 Within the scope of its liability for cases of damage within the meaning of Clause 7.1, the Supplier shall also be obliged to reimburse any and all expenses pursuant to §§ 683, 670 BGB [German Civil Code] and pursuant to §§ 830, 840, 426 BGB that arise from or in connection with any recall campaign undertaken by the Purchaser and/or other

companies of Vaillant Group. In so far as possible and reasonable, the Purchaser shall inform the Supplier of the subject-matter and scope of the recall measures to be taken and shall give the Supplier the opportunity to comment. Other statutory claims shall remain unaffected.

- 7.3 The Supplier shall keep in effect a liability insurance (business and/or product liability insurance) with a lump-sum insured of at least EUR 10 million per claim for personal injury, property damage and financial loss – as a lump sum – and shall on the Purchaser's request prove the existence of such insurance cover. Further claims for damages of the Purchaser shall remain unaffected.
- 7.4 Other or further statutory claims remain unaffected.

## 8 Documentation, Confidentiality, Rights of Use

- 8.1 The Supplier shall keep confidential all business or technical information made accessible by Vaillant Group (including features which might be learned from objects, documents or software submitted and any other information or experiences) towards third parties, as long as and to the extent they are not public knowledge, and may only be made available in the Supplier's premises to persons who need to make use of the information for the purpose of supplying to Vaillant Group and who must also be required to maintain confidentiality; the information remains Vaillant Group's exclusive property. Without Vaillant Group's prior written approval, such information – except for deliveries to Vaillant Group – may not be duplicated or exploited commercially. Prototypes, objects or software which the Supplier receives from Vaillant Group may not be reverse engineered, dismantled or decompiled. At Vaillant Group's request, all information originating from Vaillant Group (including any copies or recordings made, if applicable) and loaned items must be immediately returned to Vaillant Group completely or proved to be destroyed.
- 8.2 Vaillant Group reserves all rights to such information and objects (including copyrights and the right to file for industrial property rights such as patents, utility models, marks etc.). Any use by the Supplier shall be permissible exclusively in accordance with the conditions of Clause 8.1. In the event these are provided to Vaillant Group by third parties, this reservation of rights also applies to these third parties.
- 8.3 Products built on the basis of documentation such as drawings, product specifications, models and the like drafted by Vaillant Group or by third parties for Vaillant Group or based on Vaillant Group's confidential information or Vaillant Group's tools or tools modelled on Vaillant Group's tools shall neither be used by the Supplier himself nor be offered or supplied to third parties.
- 8.4 The Supplier shall not refer the business relationship to the Purchaser in advertisements or other documents without the Purchaser's prior written approval.
- 8.5 The Supplier shall grant to Vaillant Group a non-exclusive, cost-free, indefinite, transferable, sub-licensable, irrevocable right to use the technical documentation (drawings, specifications, data sheets etc.) of the supplied products as well as the corresponding intellectual property rights and copyrights for the purpose of manufacture (including quality assurance, data-management etc.), use and distribution of the Vaillant Group products. In the event that the documentation has been produced on behalf of Vaillant Group and has been paid for - as the case may be, by the costs of the supplied products or on the basis of a development contract – and/or is based on information provided by Vaillant Group, the Supplier shall at no additional cost grant to Vaillant Group exclusive and unrestricted rights of use and exploitation. This shall not affect other written agreements.

## 9 Tools

- 9.1 The Purchaser acquires the ownership of tools or other manufacturing equipment (hereinafter "Tools"), which are manufactured for the Purchaser, automatically and directly with their manufacture. The Purchaser shall be regarded as manufacturer in the sense of the applicable statutory provisions (in particular § 950 BGB [German Civil Code]). This shall apply irrespective of whether the Purchaser is designated as manufacturer. In the alternative, in the event that the Supplier should, nevertheless, initially acquire (co-) ownership of the Tools, however, the Supplier herewith transfers (co-) ownership of the Tools in question to the Purchaser. The Supplier shall employ the Tools only for the purposes provided for in the contract and shall store them for the Purchaser (constructive possession). Should a third party be in possession of the Tool(s), the Supplier herewith assigns its claim of surrender vis à vis the third party to the Purchaser; the Purchaser hereby accepts this assignment. The Supplier shall mark the Tools clearly and in a legible and durable manner as the Purchaser's property

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using the inventory tags provided by the Purchaser. These tags shall contain the tool number, component number and inventory number that will be provided by the Purchaser. On no account may the corresponding marking be removed or changed.

- 9.2 Together with the ownership of the Tools (including the special tools and equipment, e.g. erosion electrodes, sonotrodes, test equipment, calibres, etc.) the Purchaser automatically acquires the ownership of any associated documentation, in particular but not limited to design data, circuit diagrams, drawings, tool clamping plans, information about press tables, etc. This documentation shall be regarded as essential part of the Tools and, as such, cannot be subject to specific rights (§ 93 BGB [German Civil Code]). Insofar as the documentation is protected by copyrights, the Supplier grants to the Purchaser irrevocable, free-of-charge, exclusive and unlimited as to time and territory rights of use. As far as the Purchaser makes available the Tools to the Supplier on a loan basis for the purpose of production of parts to be delivered to the Purchaser, the Supplier will be granted a non-exclusive, non-transferable right to use the documentation for this purpose.
- 9.3 The Purchaser is entitled to demand the surrender of the Tools at any time. In this case the Tools shall be surrendered to the Purchaser upon the Purchaser's first demand without delay in a proper and serviceable condition. The Supplier shall have the Tools ready for collection by the Purchaser not later than three (3) working days after receipt of the corresponding demand. Should the Supplier suspend payments or apply for insolvency proceedings or similar statutory proceedings, or if such proceedings are opened or their opening is rejected due to lack of assets, the Purchaser shall be entitled to immediately take possession of the Tools. The Supplier shall have no right of retention to the Tools.
- 9.4 Apart from that, Clauses 9.1 to 9.3 above apply analogously.

### 10 Spare Parts

- 10.1 The Supplier shall supply the Purchaser or any other Vaillant Group company named by the Purchaser, in sufficient quantity, with goods for use as spare parts, as well as with spare parts for the goods delivered by the Supplier. This obligation shall, regardless of the continued existence of a supply agreement and regardless of the reasons for any discontinuation of a supply agreement, exist for a period of fifteen (15) years after serial supply has ended or for a shorter period specified by the Purchaser in writing (hereinafter collectively "Extended Supply Period"), unless it can be proven that it would be objectively unreasonable to expect the Supplier to continue supplying; Sections 10.2 to 10.5 shall remain unaffected.
- 10.2 In due time, however at least six (6) month before the Extended Supply Period expires, the Supplier shall grant the Purchaser the possibility of placing a final order for its all-time demand. The same shall apply, if it becomes apparent to the Supplier during the Extended Supply Period that it will no longer be possible for the Supplier to continue supplying during the Extended Supply Period, and the Supplier is unable to offer the Purchaser other reasonable supply possibilities (e.g. supply of technically equivalent parts of matching quality). The Supplier shall give prompt written notice of any discontinuation of its supply capability during the Extended Supply Period.
- 10.3 Unless agreed otherwise, the Supplier is responsible for the maintenance, procurement of replacement and the storage of the tools required for the manufacture of spare parts; the associated costs are deemed fully compensated with the prices agreed upon for the deliveries of spare parts.
- 10.4 After the Extended Supply Period has ended, the Supplier shall, at the Purchaser's request, hand over technical information and documents necessary for manufacturing the spare parts and grant Vaillant Group the non-exclusive rights of use necessary for this in respect of any existing industrial property rights (including copyrights and know-how) of the Supplier. These rights of use shall include production by third parties for Vaillant Group. The above shall also apply in the event of any discontinuation of the Supplier's supply capability during serial supply or during the Extended Supply Period. The above services shall be deemed settled by the prices agreed upon for the deliveries of spare parts.
- 10.5 The prices of the spare parts supplied for the goods delivered by the Supplier will be agreed upon in the supply agreement. Unless agreed otherwise, the prices of the goods delivered as spare parts during the term of a supply agreement shall be determined on the basis of the price agreed upon in the supply agreement for the goods delivered as serial parts. The prices agreed upon at the time of the discontinuation of the supply agreement shall continue to apply for a period of three (3) years, unless otherwise is agreed upon. After expiration of this period new price agreements will be made every year at the latest by end of

August. Unless agreed otherwise, such new price agreements shall be valid for a period of twelve (12) months starting on the 1<sup>st</sup> January of the following year.

### 11 Declaration about the Origin of delivered Goods, Export Control

- 11.1 At the Purchaser's request the Supplier shall provide free of charge a certificate of origin regarding the delivered goods resp. any other documents of the customs authorities or any other authorities regarding the delivered goods.
- 11.2 The Supplier shall comply with all requirements of the applicable national and international foreign trade laws. The Supplier shall ensure, that the supplied goods are listed neither in the export control list (Annex "AL" to the Außenwirtschaftsverordnung [German Foreign Trade Ordinance Act]) nor in Annex I and/or in Annex IV of European Union Regulation (EC) No. 428/2009 ("Dual-Use-Regulation").
- 11.3 The Supplier shall reimburse all costs and any damages incurred to the Purchaser due to a breach of the above obligations, unless the Supplier is not responsible for such breach.

### 12 Quality Assurance, Social Accountability, Protection of the Environment

- 12.1 To ensure the quality of its deliveries, the Supplier will establish and maintain a quality management system that shall be at least equivalent to the requirements of DIN ISO 9001. The Supplier will manufacture and test its products in accordance with the rules of this quality management system. In addition, the Supplier shall comply with the requirements described in Vaillant Group's Supplier Quality Guideline. The Supplier Quality Guideline will be provided to the Supplier on request and is available for download at [www.vaillant-group.com](http://www.vaillant-group.com) (under Purchasing/Purchasing Terms). Vaillant Group is entitled, after prior agreement on the date, to verify the compliance of both the quality management system and the Supplier Quality Guideline within the scope of a quality audit at the Supplier.
- 12.2 The Supplier must comply with the respective statutory provisions governing the treatment of employees, environmental protection and health and safety at work and to work on reducing the adverse effects of its activities on human beings and the environment. In this respect the Supplier shall set up and further develop a management system in accordance with DIN ISO 14001 as well as DIN ISO 45001 or OHSAS 18001 within the realms of its possibilities. Further, the Supplier must comply with the principles of the UN Global Compact Initiative relating basically to the protection of international human rights, the right to collective bargaining, the abolition of forced labour and child labour, the elimination of discrimination when personnel is engaged and employed, the responsibility for the environment and the prevention of corruption. Further information on the UN Global Compact Initiative is available at: [www.unglobalcompact.org](http://www.unglobalcompact.org).

### 13 Supplementary Provisions for Contracts for Work and Service Contracts

- 13.1 Cooperation  
Unless agreed otherwise, the Supplier will receive from the Purchaser, in the agreed data format, all information, documents and data available to the Purchaser (hereinafter collectively "Information") which the Purchaser considers necessary for the provision of the services, unless these are not otherwise available to the Supplier. If and to the extent the Supplier does consider the Information to be not sufficient or unclear, he shall advise the Purchaser to this effect immediately in text form.
- 13.2 Deployment of Employees
- 13.2.1 The Supplier shall render the contractual services exclusively by means of employees sufficiently qualified for the respective services. In the case of foreign employees, the Supplier shall, at the Purchaser's request, prove the existence of a work permit, if necessary.
- 13.2.2 Insofar as the deployment of specific employees is agreed upon for the rendering of the contractual services, any exchange of employees by the Supplier shall require the Purchaser's prior consent, which the Purchaser shall not unreasonably refuse. In any event, the employee newly deployed shall have at least the same level of qualification as the employee exchanged; Clause 13.2.1 shall remain unaffected. Any extra expenditure incurred upon the Supplier as a result of induction training of the new employee shall not be borne by the Purchaser.



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- 13.2.3. The Purchaser shall be entitled to demand that employees deployed be exchanged, if the Purchaser has justified doubts about whether the employees deployed are suitable for the rendering of the services owed and/or capable of rendering the services owed and/or about whether the employees deployed are personally reliable.
- 13.3 Remuneration
- 13.3.1. If a fixed price has been agreed upon, all services, expenditure and costs of the Supplier shall be deemed covered by this fixed price, except where otherwise expressly agreed upon.
- 13.3.2. If time and material based remuneration has been agreed upon, the remuneration shall be based on hourly rates. Time spent that is invoiced on the basis of hourly rates must be recorded and billed to the exact of at least half of an hour and by providing a comprehensible activity report. All other costs and expenditure of the Supplier are shall be deemed covered in full with the agreed remuneration.
- 13.3.3. Insofar as billing is based on a daily rate, it shall be deemed agreed that one working day comprises at least eight (8) hours. If the working time comprises less than eight hours, the accrued hours shall be billed with 1/8 of the daily rate. Clause 13.3.2, 3<sup>rd</sup> sentence applies accordingly.
- 13.3.4. Travelling times shall only be remunerated as working time, if these have been used for the provision of the services.
- 13.3.5. The Supplier shall not be entitled to any additional remuneration for any out-of-hours (evening or night) work or for Saturday, Sunday or public holiday work, unless the execution of work out of hours or on a Saturday, Sunday or public holiday as well as the additional remuneration resulting thereof has been expressly agreed upon in advance with the Purchaser in the individual case.
- 13.3.6. Unless agreed otherwise, travel and accommodation costs shall be reimbursed to the Supplier only if employees of the Supplier are performing journeys for the purpose of executing the agreed services and if the Purchaser has given its prior consent in text form to pay the related travel costs. The Supplier hereby undertakes to make use of special terms granted to Vaillant Group (air travel, rail travel, hire car, taxi, hotel), insofar as possible and existent. Unless agreed otherwise, travel and accommodation costs shall be reimbursed only upon presentation of the relevant receipts, as follows:
- Rail: 2<sup>nd</sup> class  
 Air: economy Class,  
 Hire car: only vehicles up to the medium class (including navigation and winter tires, if necessary)  
 Travelling by private car: kilometre allowance in accordance with tax authority guidelines  
 Accommodation in hotels up to the medium category (i.e. up to three stars)
- The most suitable and cost-effective form of transport will be chosen, taking into account the urgency of the matter.
- 13.3.7. Other costs and expenses of the Supplier shall be reimbursed only if and insofar as these have been agreed upon in advance and meet the agreed requirements in respect of their cost-effectiveness. Costs and expenses shall be billed without any surcharge. For invoicing, copies of all receipts for the costs to be billed shall be submitted with the respective invoice. The Purchaser may at any time demand that the original receipts be submitted.
- 13.3.8. The Supplier shall invoice all services properly and in compliance with the applicable tax regulations, plus any applicable value-added tax at the statutory rate.
- 13.4 Change Request
- 13.4.1. The Purchaser may amend the requirements for the agreed services and other contractual conditions according to the following Change Request process.
- 13.4.2. The Purchaser will notify the Supplier in writing or text form of its request to change and/or supplement the contract ("Change Request").
- 13.4.3. If the Change Request should affect the agreed time schedule, the remuneration and/or other contractual conditions, the Supplier shall no later than seven working days after receipt of the Change Request notify the Purchaser thereof in text form and shall submit an offer for the implementation of the Change Request. If the Change Request should result in changes to the agreed time schedule or remuneration, such changes shall be calculated on the basis of the original calculation basis. The Supplier is not obliged to submit an offer, if an implementation of the Change Request is unreasonably to be expected from the Supplier; the Supplier shall notify the Purchaser thereof, stating the reasons, within the above mentioned period. In this case the Purchaser is entitled to commission a third party to carry out the modified services or to undertake these by itself.
- 13.4.4. If the Purchaser accepts the offer in written or text form, the Change Request shall form an integral part of the contract and the contract shall be amended and/or supplemented by the agreed Change Request, e.g. with regard to the services to be performed, the schedule and the remuneration. The same shall apply if a notification pursuant to Clause 13.4.3 sentence 1 is not submitted.
- 13.5 Subcontracting of Third Parties
- 13.5.1. Unless otherwise agreed, the Supplier shall be entitled to appoint subcontractors to provide services to the Purchaser only with the Purchaser's prior consent. A declaration of consent shall be made in writing or text-form.
- 13.5.2. Insofar as the Supplier uses third parties to provide services, the Supplier shall be responsible for the third party's services to the same extent as for its own services. The Supplier shall be liable for any fault of the third party to the same extent as for own faults.
- 13.5.3. The Supplier shall ensure that, in the case of (permitted) subcontracting, it procures the third party's services in its own name and on its own account, and that a contract is only entered into between the Supplier and the third party. The Supplier shall not be entitled to represent the Purchaser or to enter into contracts in the Purchaser's name.
- 13.5.4. Insofar as an individual order provides that the Supplier has to appoint a third party to provide services (hereinafter "third-party services"), and the costs thereof to be reimbursed by the Purchaser, the Supplier shall ensure that the third-party services are procured in such a manner that they are as cost-effective as possible, i.e. with the aim of achieving the best possible cost/benefit ratio, in accordance with the following provisions:
- Third-party services with an expected total order value of up to EUR 5,000 per individual service shall be ordered by the Supplier in such a manner that they are as cost-effective as possible, whereas it is not necessary that a call for tenders for the third-party services is made in each individual case.
  - Third-party services with an expected total order value of more than EUR 5,000 per individual service shall be put up for tender by the Supplier; i.e. the Supplier shall, in these cases, obtain at least three comparable offers and examine these in terms of their cost-effectiveness. When obtaining offers, the Purchaser's recommendations and directives shall be taken into account. At the Purchaser's option, the offers shall be obtained either as fixed-price offers or with a binding cost estimate. The offers obtained shall be submitted to the Purchaser, for decision-making, together with a proposed decision. The Supplier shall not award a subcontract until the Purchaser has given its prior approval which requires text form.
- 13.5.5. The Supplier shall not be entitled to apply any surcharge (handling fee or the like) to third-party services. The Supplier hereby represents and warrants that, in connection with the award of a subcontract, it shall not cause any services, payments or other benefits of monetary value (including in particular monetary discounts or discounts in kind, media services, bonus payments, kick-backs) to be directly or indirectly promised or granted to itself or others by the third party concerned or by companies or persons associated with the third party concerned. If this obligation is breached, the Purchaser shall be entitled to terminate the contract without prior notice and may claim from the Supplier to surrender any monetary benefits obtained by the Supplier. Further damage claims of the Purchaser shall remain unaffected.
- 13.6 Rights of Use
- 13.6.1. The results of the services rendered (hereinafter the "Results") shall, become the Purchaser's property upon their creation, that is, in the respective state of completion. The Supplier shall hold the Results in safekeeping on behalf of the Purchaser until they are handed over. The Supplier grants to the Purchaser the exclusive, worldwide, transferable, sublicensable and unrestricted right, to modify, to have modified, to use, to have used, to publish, to have published, to distribute, to have distributed, to utilize, to have utilized, to exploit or to have exploited the results in their original form and as extended or modified by the Purchaser. Mandatory legal regulations remain unaffected.
- 13.6.2. If and to the extent the Purchaser and/or a third party, that has a contractual relationship with the Purchaser, requires intellectual property rights (including copyrights and know-how) created or generated by the Supplier before or in course of the performance of the services ("Background IP"), in order to make use of the Results, the Supplier shall grant the Purchaser a perpetual, unrestricted, worldwide,

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non-exclusive, sublicensable, and transferable right to use such Background IP. Such right of use is also valid for the Purchaser's affiliated companies as well as for contractors of the Purchaser and its affiliated companies.

- 13.6.3. If the Results contain inventions or ideas which are patentable or otherwise eligible for registration, the Purchaser is entitled, at its discretion and in its own name, to apply for such property rights in any countries, to maintain these rights or to abandon them at any time. If necessary the Supplier shall assist the Purchaser with the application; the Supplier shall refrain from any activity that may impede the application and efficient exploitation of the rights by the Purchaser. The property rights incurred as a result of such applications belong to the Purchaser.
- 13.6.4. The Supplier hereby waives its right to authorship credit with respect to the results, unless otherwise agreed in the individual case.
- 13.6.5. The Supplier undertakes to ensure that the inventions or ideas arising in the course of the performance of the services are transferred to the Purchaser free of further charge or further cost.
- 13.6.6. This transfer and granting of rights under this Clause 13.6 shall be deemed fully compensated for upon payment of the remuneration agreed upon for the respective services.
- 13.6.7. The Results are subject to confidentiality in accordance with Clause 8.
- 13.6.8. Clause 9 remains unaffected by the foregoing.

### 13.7 Hand-over and Acceptance of the Services

Insofar as an acceptance inspection of the services is provided by law or by contract, the Supplier shall make the service available to the Purchaser for the acceptance inspection at the agreed point of time or in due time before the envisaged date for the acceptance inspection. The Purchaser shall declare its acceptance in writing or in text form insofar as the respective service rendered meets the agreed requirements. Insofar as an acceptance inspection of partial services is agreed upon in an individual case, the approval or acceptance of partial services shall constitute acceptance of the entire services by the Purchaser only upon the declaration of overall acceptance that the entire partial services interoperate with each other in accordance with the contract.

### 13.8 Rights in the Case of Defective Work Services

In the case of defective work services, the Purchaser shall be entitled to the statutory rights.

### 13.9 Conduct on the Purchaser's Premises

The Supplier shall ensure that the personnel deployed by it follows all the Purchaser's directives when working on the Purchaser's premises, in particular all the Purchaser's directives for maintaining order and safety and for fire prevention, and that it submits to the customary control procedures and, in all other respects, complies with all relevant statutory provisions, in particular those relating to health and safety at work and to environmental protection. If the Supplier deploys multiple employees at the company grounds for carrying out the services, the Supplier shall give the Purchaser the name of a contact person with the necessary power to issue directives and to supervise; any change of this person shall be communicated to the Purchaser. Additionally, the Safety Manual for Contractors of Vaillant Group shall apply.

### 13.10 IT-Security, Data Protection

- 13.10.1. The Supplier shall take appropriate measures for storage of data and for protection of its IT systems against software with damaging functions (viruses) and unauthorized access by third parties, in order to reasonably protect information received from the Purchaser, and the Results generated for the same, against loss, modification, forwarding or access by unauthorized third parties. If there are any indications that a third party has attempted to access, or has actually accessed, the Purchaser's IT systems without authorisation, the Supplier shall promptly inform the Purchaser and, to a reasonable extent, assist the Purchaser with the measures necessary for clearing up and averting such access.
- 13.10.2. Insofar as the Supplier performs services on the premises of the Purchaser or has access to the Purchaser's IT systems the leaflet IT and information safety in Vaillant Group for external service providers shall also apply.
- 13.10.3. Insofar as the Supplier is granted access to personal data in the course of providing the services, the Supplier shall comply with the statutory provisions relating to protection of personal data and data privacy and shall enable the Purchaser to keep itself informed that such provisions

are being complied with. The Supplier shall bind its employees and freelance workers in writing to comply with data protection regulations.

### 13.11 Right of Termination

- 13.11.1. The Purchaser may wholly or partly terminate the order at any time without giving reasons. In the event of such termination, the Purchaser shall pay for the services provably rendered up to the effective date of termination, in the sum of the corresponding portion of the agreed total fee, and reimburse any further costs provably incurred and resulting directly from the order. In any event, however, the payment claim shall be limited, in terms of the amount, to the agreed total fee. The Supplier shall not be entitled to any further claims for performance or damage claims on account of such termination.
- 13.11.2. If the Purchaser makes use of a right of termination to which it is entitled by contract or by law on account of a breach of contract by the Supplier, the services carried out until then shall be billed, at the contractually agreed fee, only insofar as they can be used by the Purchaser as intended. Any loss for which the Purchaser is to be compensated shall be taken into account in the billing.

## 14 **Supplementary Provisions**

Insofar as the provisions of these General Purchasing Terms do not regulate certain matters, the relevant statutory provisions shall apply.

## 15 **Final Provisions**

- 15.1 The place of performance for deliveries and services shall be the place of receipt specified by the Purchaser. The place of performance for payments shall be the registered office of the Purchaser.
- 15.2 If any of the provisions of these General Purchasing Terms or of additional agreements should be or become invalid, the remaining provisions shall continue in full force and effect. The parties shall agree upon a provision to replace the invalid provision that reflects as closely as possible the economic intent of the invalid provision.
- 15.3 The laws of Germany shall apply to the exclusion of its conflict of law provisions and the United Nations Convention on Contracts for the International Sale of Goods (CISG).
- 15.4 The venue for all disputes arising out of or in connection with contractual relationships based on these General Purchasing Terms shall be the registered office of the Purchaser. The Purchaser further has the right to initiate legal action against the Supplier at a court near the Supplier's place of business or branch or at a court near the place of performance at the Purchaser's discretion.
- 15.5 The English version of these General Purchasing Terms shall be for convenience only. In the event of any inconsistencies, the German version shall prevail.