

Terms and Conditions of Purchase

Jetter AG
(Last amended November 2022)



1. General – Scope

- 1.1 These Terms and Conditions of Purchase (TCPs) apply to all orders for goods (goods) placed by Jetter AG (Jetter). Unless otherwise agreed, these TCPs – in the version which applies when Jetter places its order or, at least, the version most recently communicated to the supplier (supplier) in text form as a framework agreement – will also apply to any future contracts of the same type, without Jetter having to expressly reference these TCPs in each individual case. No other TCPs will apply. Jetter will not acknowledge any additional terms and conditions of the supplier which conflict with or differ from these TCPs unless Jetter has given its express written consent. These TCPs will apply even if Jetter accepts without reserve products supplied by the supplier in the knowledge that the supplier's terms and conditions differ from or conflict with these TCPs.
- 1.2 These TCPs only apply to entrepreneurs exercising their commercial or independent professional activity and to legal entities under public law. They apply to all business between Jetter and the supplier.
- 1.3 Individual agreements entered into with the supplier in an individual case and agreed in text form at least will always take precedence over these TCPs. Unless evidence is provided to the contrary, the content of such agreements must be set out in a written contract or confirmed by Jetter in writing.

2. Offer – Offer documents

- 2.1 The supplier will accept Jetter's order within one week and confirm it by way of a confirmation of order. Jetter may cancel the order if the supplier does not accept the order within that period. Delayed acceptance will be deemed to be a new offer and is subject to Jetter's acceptance.
- 2.2 Any drawings, including any tolerances, prescribed by Jetter, are binding. By accepting the order, the supplier acknowledges that it has inspected the plans provided, thereby informing itself of the manner of execution and scope of performance. Jetter is not bound by obvious errors, typographical and arithmetical errors in the printed circuit board diagrams, parts lists, drawings, films, repro proofs and other documents which Jetter has provided. The supplier will notify Jetter of any such errors so that the order can be corrected and updated. This also applies to any missing documents or drawings. Failure by the supplier to communicate any such errors or omissions will invalidate the contract.
- 2.3 Jetter reserves title and copyright in any images, printed circuit board diagrams, parts lists, films, repro proofs, drawings, calculations and other documents and objects (collectively offer documents): The offer documents may not be disclosed to third parties without Jetter's express written consent. The offer documents may only be used for production based on Jetter's order; the offer documents must be returned to Jetter unbidden after the order has been completed. The offer documents must not be disclosed to third parties; the provision set out in § 10(4) also applies in this respect.

3. Prices – Terms of payment

- 3.1 The price shown in the order is binding. Unless otherwise agreed in writing, the price includes appropriate transport packaging. Packaging may only be returned subject to special agreement.
- 3.2 Jetter can only process invoices that quote the order number, article number and supplier number as indicated in Jetter's order. Invoices must also contain the tax data stipulated by § 14 German Value-Added Tax Act (Umsatzsteuergesetz), notably tax number, time of performance, delivery note number, etc. The supplier will be responsible for any consequences arising from failure to comply with this obligation. Where this data is not shown on an invoice, Jetter is entitled to withhold part of the price.
- 3.3 Unless otherwise agreed in writing, Jetter will pay the purchase price less 3% discount within 14 days from the date of full delivery and subject to receipt of a correct invoice, or net within 30 days of full delivery and receipt of a correct invoice. Any delays caused by incorrect or incomplete invoices will not affect discount periods. Where payment is made by bank transfer, payment will be deemed to have been made in a timely manner if Jetter's bank receives Jetter's payment instruction before the payment period expires; Jetter is not responsible for delays attributable to the banks involved in the payment process.
- 3.4 Jetter will not pay interest for late payment. Default on payment will be governed by statutory provisions.
- 3.5 Payment does not constitute acceptance nor does it affect the supplier's warranty obligation or Jetter's right to report defects.
- 3.6 Jetter can offset and retain payment to the extent provided for by statute.

4. Delivery date, delay in delivery

- 4.1 The delivery date shown in the order is binding. The agreed quantities must be supplied exactly. Part shipments are only possible subject to express written agreement. By accepting delivery of delayed goods or services without reserve Jetter is not waiving its right to make claims associated with delayed delivery. Unless otherwise agreed in writing, delivery will be DDP (Incoterms 2020). The place of destination will also be the place of performance for delivery and any subsequent performance (obligation). If delivery is not DDP (Incoterms 2020) the supplier will make the goods available in good time taking account of the usual time for loading and transport. The supplier will notify Jetter in writing without undue delay in the event of circumstances preventing or appearing likely to prevent delivery by the agreed date. This applies in particular if the supplier identifies supply chain problems which could jeopardise its ability to supply on time.
- 4.2 If there is a delay in delivery Jetter's rights will be as provided for by statute. In particular, once a reasonable additional deadline has elapsed without being met Jetter may demand compensation in lieu of performance and withdraw from the contract. If Jetter demands compensation, the supplier has the right to prove to Jetter that the supplier is not responsible for the breach of duty. If Jetter has incurred additional costs owing to a delay in delivery as a result of overtime, express delivery services, etc. Jetter may charge these to the supplier.
- 4.3 If the supplier does not supply on time or supplies less than ordered, Jetter may demand a penalty of 0.5% of the net value of the delivery per complete week of delay but no more than 5% of the net value of the delivery; Jetter expressly reserves the right to claim compensation as provided for by statute (losses caused by delay and compensation in lieu of performance). Jetter reserves the right to prove that the actual loss is higher. The penalty will be deducted from the actual higher loss caused to Jetter by the delay. The supplier has the right to prove to Jetter that the delay caused no or a substantially lower loss.
- 4.4 Jetter is not obliged to accept the goods before the delivery date.

10. Reservation of title – Provision of materials – Tooling – Confidentiality

- 10.1 Jetter reserves title in any parts that it provides to the supplier. Any processing or modification work carried out by the supplier will be done on Jetter's behalf. If Jetter's reserved goods are processed with other items which do not belong to Jetter, Jetter will acquire co-ownership rights in the new item in the ratio of the value of the item (purchase price plus VAT) to the other items processed at the time of processing.
- 10.2 If the item provided by Jetter is incorporated irreversibly with other items which are not Jetter's property, Jetter will acquire co-ownership rights in the new item in the ratio of the value of the reserved item

5. Passage of risk – Documents

- 5.1 Unless otherwise agreed in writing, under DDP (Incoterms 2020) risk of accidental loss and accidental deterioration of the goods pass to Jetter. Unless otherwise agreed, the goods will be insured against transport damage at the cost of the supplier.
- 5.2 The supplier will state Jetter's exact order number and article number on all despatch documents and delivery notes, otherwise Jetter will not be responsible for delays in processing.

6. Force majeure

- 6.1 If a party is prevented from performing its contractual duties owing to force majeure, in particular from supplying the goods, the party affected will be relieved of its obligation to perform for the duration of the impediment plus a reasonable start-up time without having to compensate the other party. For this, the party affected must notify the other party without undue delay. Otherwise, exemption from the obligation to perform will take effect as of when such communication reaches the other party.
- 6.2 Force majeure means an event or circumstance that prevents the party affected from fulfilling one or more of its contractual obligations under the contract if (i) this impediment is outside the reasonable control of the party affected; (ii) the impediment could not be reasonably foreseen when the contract was entered into; and (iii) the effects of the impediment could not have been reasonably avoided or overcome by the party concerned.
- 6.3 Force majeure is presumed to exist in, without limitation to, the following occurrences: forces of nature, fire, war (whether or not declared), labour disputes, acts of terror, official measures, energy shortages, pandemics or epidemics, sanctions, embargoes. If the supplier is released from its duty to supply, it will return any advance performance already rendered by Jetter.
- 6.4 If a force majeure occurrence prevents substantial parts of the remaining contract from being performed for more than three (3) months, Jetter is entitled to terminate some or all orders and contracts with the supplier without prejudice to other rights. Reciprocal compensation claims arising from such termination are not permitted.

7. Examination for defects – Liability for defects

- 7.1 Jetter will submit incoming goods to random inspection to check quantity, identity, externally visible transport damage and obvious defects and will report any defects observed in the proper course of business. In this respect, the supplier waives its right to invoke the defence that the defect was not reported in due time. Jetter will report any hidden defects which are only discovered in Jetter's or its customer's production process or which are only detected by the final customer to the supplier in the proper course of business. Jetter has no obligations over and above this.
- 7.2 The supplier will ensure that the goods, including external appearance and labelling, comply with Jetter's specifications. It will execute Jetter's order properly and professionally in accordance with Jetter's respective specifications, the state of the art and applicable statutory provisions, requirements and directives of official bodies, accident prevention and insurance bodies, and professional associations. All goods to be supplied to Jetter must comply with the applicable safety regulations (e.g. CE Directives, etc.).
- 7.3 In all other respects statutory provisions on liability for defects will apply.
- 7.4 Jetter may remedy the defect itself at the supplier's expense if there is imminent danger or if the circumstances demand urgent action or if the supplier unjustifiably refuses to remedy the defect or does not do so within an appropriate period.
- 7.5 The warranty period for the goods is 36 months from passage of risk to Jetter.

8. Product liability – Indemnification – Liability insurance cover

- 8.1 If the supplier is responsible for damage under applicable product liability laws, it will indemnify Jetter at first call from third-party claims for compensation in as far as the cause lies within the supplier's sphere of control and organisation and the supplier is itself liable in its external relations with third parties.
- 8.2 In the event of a product recall associated with the goods supplied to Jetter by the supplier, irrespective of whether the product recall is initiated by the authorities or Jetter or by one of Jetter's customers, Jetter will notify the supplier of the recall and if possible give the supplier an opportunity to collaborate. However, prior information and consultation of the supplier may be waived if imminent danger makes recall particularly urgent. The supplier will be liable for all damage, costs and expenses incurred by Jetter and Jetter's customers from the product recall to the extent of the supplier's responsibility for the defect which caused the product recall. Any contributory fault on the part of Jetter or any of Jetter's customers will be taken into account in distributing the costs. This will have no effect on other statutory claims.
- 8.3 The supplier will maintain an operating and product liability insurance policy with minimum lump-sum cover of EUR 10 million per personal injury/property damage for the duration of this agreement, i.e. until the respective limitation period for defects has expired. At Jetter's request, the supplier will provide proof of such insurance and the cover. The existence of insurance cover will not limit the supplier's liability to the amount of the insurance cover, i.e. any broader compensation claims that Jetter may have will not be affected.

9. Property rights

- 9.1 The supplier warrants that no third-party rights are infringed in connection with the goods supplied.
- 9.2 If third-party claims are filed against Jetter in this respect the supplier will indemnify Jetter from these claims at first written request.
- 9.3 The supplier's indemnification duty covers all necessary expenditure incurred by Jetter arising from or in connection with the claim(s) filed against Jetter by a third-party.
- 9.4 The limitation period is ten years as of conclusion of the respective contract.

13 Hazardous substances, ROHS, REACH, energy efficiency and conflict material

- 13.1 In delivering the goods the supplier will comply with the German Regulation on Hazardous Substances (Gefahrstoffverordnung – GefStoffV), constantly review the goods for substitution (principle of substitution), label and package the goods concerned accordingly, indicate hazardous substances clearly on the delivery note and, in the event of any changes, provide the current safety data sheet.

(purchase price plus VAT) to the other items incorporated at the time of incorporation. If the goods are combined such that the supplier's item has to be regarded as the main item, the supplier will be deemed to have granted Jetter pro rata co-ownership; the supplier will preserve the sole title or co-ownership on Jetter's behalf.

- 10.3 Jetter reserves title in any tools that it has paid for; the supplier will mark any such tools on its premises to identify them as Jetter's property and will only use them to produce the goods ordered by Jetter. The supplier will insure tools belonging to Jetter against fire, water and theft at replacement value at its own cost. At the same time the supplier hereby assigns all claims for compensation under such insurance policy to Jetter; Jetter hereby accepts such assignment. The supplier will carry out any necessary servicing and inspection work and all repair and maintenance work on Jetter's tooling in good time at its own cost. The supplier will report any malfunctions to Jetter immediately; culpable failure to do so will have no effect on Jetter's compensation rights.
- 10.4 The supplier will keep all images, drawings, calculations and other documents and information strictly confidential. They may only be disclosed to third parties with Jetter's express prior consent. The confidentiality obligation will continue to apply even after the contract has been executed, the confidentiality obligation will lapse if and in so far as the production knowledge contained in the images, drawings, calculations and other documents has become generally known, whereby the burden of proof in this respect lies with the supplier.
- 10.5 If Jetter's security rights pursuant to 10.1 and/or 10.2 exceed the purchase price of all reserved goods for which Jetter has not yet paid by more than 10%, Jetter will be obliged at the supplier's request to release security rights according to Jetter's discretion.

11. Export control

- 11.1 The supplier warrants that it is aware of all applicable trade and customs laws, requirements, guidelines and directives, sanctions and embargoes (**trading control laws**) of Switzerland, the European Union, the United States of America or any other jurisdiction which may apply to the products supplied under this contract. The supplier undertakes to comply with these in full, now and in the future, including without limitation all necessary customs clearance requirements, proof of origin, export and import licences and exemptions and due submission of all necessary documents to the applicable government authorities and/or disclosure of the of the release or onward supply of goods and components thereof, embedded software and technology. The supplier will notify Jetter without undue delay if the delivery of goods or services under any contract is or will be subject to trading control laws.
- 11.2 The supplier will provide Jetter with binding information on commercial policy and preferential origin requirements which apply to its goods. For deliveries within the European Union (EU) the supplier will, at Jetter's request, issue a long-term supplier's declaration in accordance with the applicable EU implementation regulation. Moreover, for shipments which originate from a free trade or preferential agreement country the supplier will provide the required proof of origin.
- 11.3 All goods shipped by the supplier to Jetter which cross customs borders must be provided with the required documentation such as commercial invoice, delivery note and the information necessary for complete import filing.
- 11.4 For export control purposes the supplier will inform Jetter of any authorisation requirements or restrictions applicable to (re-)export of its goods under German, European, US export and customs rules and those of the country of origin and, in the event of any goods or technologies being subject to any authorisation requirement, will provide Jetter immediately with the necessary information.
- 11.5 Any customs duties or levies on the goods supplied will be borne by the supplier.

12. Compliance

- 12.1 The supplier must ensure that all processes which it sets up and all goods and services fulfil the applicable statutory and official requirements of the export country, the import country and the country of destination named by the customer – in as far as these have been communicated to the supplier. This applies likewise to any necessary labelling or authorisations required to operate the goods in the country of destination (e.g. declaration of conformity).
- 12.2 The supplier will comply with all applicable laws and requirements, including without limitation applicable statutory rules on treating staff, health and safety at work and environmental protection. The supplier is committed to complying with the principles of the UN Global Compact Initiative (www.unglobalcompact.org), promoting the protection of human rights, the abolition of child and forced labour, the elimination of discrimination, and taking greater environmental responsibility and to implementing the UN's Guiding Principles on Business and Human Rights (2011).
- 12.3 The supplier expressly warrants that it complies with currently applicable minimum pay legislation and that it will impose these likewise on its own suppliers. On request, the supplier will provide proof of such compliance, including in its supply chain. In the event of a breach of the above assurance, the supplier will indemnify Jetter from all third-party claims and comprehensively reimburse Jetter for any related fines.
- 12.4 In its business relationship with Jetter or any other party the supplier will comply with all currently applicable anti-corruption and competition law rules. The supplier will take appropriate measures to avoid bribery or competition breaches in its company.
- 12.5 The supplier will ensure that its own suppliers also observe and comply with the provisions of this § 12.
- 12.6 In the event of serious breaches of the obligations of this § 12 or statute Jetter may withdraw from individual orders or terminate existing contracts without notice.

- 13.2 The supplier will comply with the requirements of the Directives of the European Parliament and the Council on restriction of the use of certain hazardous substances (RoHS) and waste from electrical and electronic equipment (WEEE) and the requirements as transposed into national law including without limitation the German Electrical and Electronic Equipment Act (*Elektro- und Elektronikgerätegesetzes – ElektroG*), label the packaging accordingly and confirm RoHS conformity with the wording "RoHS-konform/RoHS-compliant".
- 13.3 In supplying the goods the supplier will comply with the REACH Regulation obligation.
- 13.4 Please note that, in accordance with DIN EN ISO 50001, Jetter's evaluation of the supplier will depend in part on the supplier's energy management system in respect of energy procurement, its products and equipment and its impact or likely impact on overall energy efficiency. This means that energy efficiency is a decisive criterion for Jetter in sourcing and ordering.
- 13.5 In producing the goods to be supplied the supplier will not use any conflict minerals within the meaning of Section 1502 of the US Dodd-Frank Act and will only buy products that do not contain any such conflict minerals.

14. Liability

Unless otherwise stipulated in these TCPs or the individual contracts, the supplier's liability for any damage and losses incurred to Jetter owing to a breach of supplier's obligations will be as provided for by statute.

15. Final provisions

- 15.1 If the general economic, technical, legal or regulatory circumstances change so much as against those that applied when the contract was entered into that either Jetter or the supplier can no longer be reasonably expected to comply with the agreed terms and conditions, Jetter and the supplier will enter into negotiations on an appropriate adjustment of the contract to the changed circumstances. If Jetter and the Supplier are unable to agree on an adjustment within three (3) months, each will be entitled to terminate the agreement for good cause with six (6) months' notice.
- 15.2 The supplier may not transfer any rights and obligations, in whole or in part, under the business relationship to third parties without Jetter's prior written consent.
- 15.3 The supplier may only offset if its counterclaims have been ruled final and absolute by a court of law, if they are undisputed or if they have been acknowledged by Jetter in writing. Moreover, the Supplier may only exercise a right of retention to the extent that its counterclaim relates to the same contractual relationship.
- 15.4 Jetter is entitled to offset and withhold payment and to plead the defence of unfulfilled contract as provided for by statute. In particular, Jetter may withhold due payments for such time as it has claims against the supplier for incomplete or deficient performance.
- 15.5 All legal relationships between Jetter and the supplier will be subject solely to the law of the Federal Republic of Germany excluding conflict of laws rules and the UN Convention on Contracts for the International Sale of Goods.
- 15.6 Where the supplier is a businessman, jurisdiction will be Jetter's domicile. However, Jetter may also bring action against the supplier at the supplier's principal place of business.
- 15.7 Unless otherwise stated in the order, the place of performance will be Jetter's domicile.
- 15.8 If any provision of this contract should be or become invalid, this will not affect the validity of the other provisions. The parties agree to replace any invalid provision by a valid provision which most closely reflects the intended commercial purpose of the invalid provision. The English version of these terms and conditions of purchase is provided for your convenience. In the event of any dispute, the original German version will apply.