



Beratung Entwicklung **Verpackung**

General Terms and Conditions for the Purchase of Knüppel Verpackung GmbH & Co. KG (as of June 2023)

Available and storable at: <https://www.knueppel-packaging.com/downloads/gtcp>

1. Scope of application

- 1.1. These General Terms and Conditions of Purchase („Purchase Conditions“) apply to all business relationships between Knüppel Verpackung GmbH & Co. KG („Knüppel“) as buyer or client and its contractual partners as suppliers or customers („Supplier“), in particular to orders and contracts for the sale and/or delivery of movable goods („Goods“), irrespective of whether the Supplier manufactures the Goods itself or purchases them from sub-suppliers (Section 433, 650 of the German Civil Code (BGB)). The Purchase Conditions shall also apply in their respective version to all future deliveries and services to Knüppel with the same Supplier, even if Knüppel does not expressly mention or refer to them in later contracts.
- 1.2. These Purchase Conditions apply exclusively to national and international business transactions with entrepreneurs pursuant to Section 14 of the German Civil Code (BGB), legal entities under public law and special funds under public law.
- 1.3. These Purchase Conditions apply exclusively. Conflicting, deviating or supplementary terms and conditions of the Supplier shall not become part of the contract unless Knüppel has agreed to them or parts of them in writing. This also applies if Knüppel has accepted the Supplier's deliveries without reservation, confirmed the order or made payment to the Supplier in the knowledge of conflicting or deviating general terms and conditions of the Supplier.
- 1.4. Individual agreements or framework agreements made with the Supplier in individual cases, including collateral agreements, supplements and amendments, shall in any case take precedence over these Purchase Conditions. Subject to proof to the contrary, a written agreement or written confirmation from Knüppel is decisive for the content of such agreements. Unless more specific provisions are made therein, they shall be supplemented by these Purchase Conditions.
- 1.5 Any statutory rights over and above Purchase Conditions shall remain unaffected.

2. Conclusion of contract and contract amendments

- 2.1. Offers and cost estimates of the Supplier shall be submitted free of charge, unless otherwise agreed in writing. All subcontractors and services that the Supplier subcontracts to subcontractors must be named in the offer. The Supplier must observe the specifications and conditions contained in Knüppel's enquiry. In the event of deviations, the Supplier must expressly point these out to Knüppel.
- 2.2 All orders, amendments or additions thereto and other agreements made upon conclusion of the contract must be made in writing and only then become binding. The written form requirement shall also be met in the case of transmission by electronic data transfer. Ancillary agreements to the order made verbally, by telephone or using other means of remote communication are only binding if Knüppel confirms them in text form. This also applies to subsequent changes and additions to the order.
- 2.3 Each order and order amendment must be confirmed by the Supplier immediately, but no later than three (3) working days after receipt of the order, by means of an order confirmation. Orders that Knüppel has transmitted by means of electronic data transmission can also be confirmed electronically by the Supplier.
- 2.4 Knüppel's silence with regard to offers, requests or other declarations of the Supplier shall only be deemed as consent if this has been expressly agreed in writing. Insofar as the order contains obvious errors, typing or calculation errors, these are not binding for Knüppel.
- 2.5 If Knüppel has concluded a framework agreement with the Supplier for future deliveries, an order placed by Knüppel (delivery call-off) is binding if the Supplier does not object to it within three (3) working days of receipt..
- 2.6 If it becomes apparent during the execution of a contract that deviations from the originally agreed specification are necessary or expedient, the Supplier must inform Knüppel immediately. Knüppel shall inform the Supplier immediately whether and which changes it must make to the original order. If these changes change the costs incurred by the Supplier in the execution of the contract, both Knüppel and the Supplier shall be entitled to demand a corresponding adjustment of the agreed prices.

3. Delivery

- 3.1. Delivery shall be made in accordance with the order and shall correspond to the order in terms of execution, scope and categorisation. If and to the extent that the order does not contain any terms of delivery, delivery shall be made in accordance with DPU Incoterms® 2020 to the place of delivery and/or destination specified in the order.
- 3.2. The delivery periods and dates specified by Knüppel in the order are binding. The delivery periods shall commence on the date of the order.
- 3.3. Decisive for compliance with the delivery date or the delivery period is the receipt of the Goods at Knüppel. If delivery is not agreed in accordance with the Incoterms® 2020 Clauses DPU, DAP or DDP, the Supplier must make the Goods available in good time, taking into account the time for loading and dispatch to be agreed with the forwarding agent.

- 3.4. If it becomes apparent to the Supplier that the delivery time cannot be met, it must inform Knüppel immediately in writing, stating the reasons and the expected duration of the delay. In the event of a delay in delivery, Knüppel is entitled to withdraw from the contract in accordance with the statutory provisions. In the event of a delay by the Supplier, Knüppel is entitled to demand a contractual penalty of 0.5 % of the net order value for each commenced week of delay, up to a maximum of 5% of the net order value. Further legal claims of Knüppel for damages remain unaffected. The contractual penalty shall be offset against the damage caused by delay to be compensated by the Supplier. Acceptance of the delayed delivery does not constitute a waiver of claims for damages.
- 3.5 Delivery before the agreed delivery date is only permitted with Knüppel's prior consent. Knüppel is entitled to return prematurely delivered Goods at the Supplier's expense or to store them at the Supplier's expense until the agreed delivery date.
- 3.6 Partial deliveries as well as excess or short deliveries are not permitted, unless otherwise agreed. Knüppel reserves the right to recognise partial deliveries as well as excess or short deliveries in individual cases and to charge the Supplier a processing fee of EUR 40.00 for the additional expenses caused by the partial deliveries. The Supplier shall be entitled to prove that Knüppel has incurred no or significantly less damage.
- 3.7 The Supplier can only invoke the absence of necessary documents to be supplied by Knüppel if it has not received these documents within a reasonable period despite a prior written request.

4. Change in performance

- 4.1. The Supplier shall notify Knüppel immediately in writing of any changes/extensions to the scope of delivery/services that prove to be necessary and expedient during execution. Their implementation requires the prior written consent of Knüppel. After written consent has been granted by Knüppel, the Supplier must implement the changes within a reasonable period of time.
- 4.2. The Supplier shall review Knüppel's change requests within five (5) calendar days for their effects on the contractual services and notify Knüppel of the result in writing. Effects, in particular additional or reduced costs or effects on the schedule, deadline risks or with regard to the technical execution are to be shown in writing by the Supplier on the basis of the calculation and regulated by mutual agreement with Knüppel.

5. Passing on orders to third Parties

- 5.1. Without the prior written consent of Knüppel, the Supplier may not transfer its obligations under the contract in whole or in part to third parties (e. g. subcontractors) or have the services and work assigned to it performed by third Parties. This also applies to services for which the Supplier's business is not equipped. The transfer of orders by subcontractors to another third party also requires the prior written consent of Knüppel. Third Parties are also the companies affiliated with the Supplier within the meaning of Sections 15 et. seq. of the German Stock Corporation Act (AktG).
- 5.2. Knüppel shall grant its consent unless there is an objective reason not to do so. Knüppel's consent shall not affect the Supplier's contractual obligations towards Knüppel.

- 5.3. The Supplier must select the third party carefully and convince itself before commissioning it that the third party is able to fulfil all of the Supplier's obligations assumed in the agreement with Knüppel.
- 5.4. The Supplier must impose all obligations on the third Parties with regard to the tasks assumed by them and ensure compliance with them, which it has assumed vis-à-vis Knüppel.
- 5.5. The Supplier shall point out to the third party that it must observe all relevant accident prevention regulations specified by the legislator or business partner, occupational safety regulations, in particular the applicable trade association regulations and the regulations, works standards and rules specified by Knüppel as well as the requirements of the German Act on Corporate Due Diligence in Supply Chains (LkSG).
- 5.6. The Supplier must oblige the third party in the contract concluded with it to inform the Supplier of the latest official authorisations, certificates or reporting obligations (e.g. from the tax office, the responsible social security institutions or the workers' compensation board) and – if necessary – of the work permits and to hand these over to Knüppel upon request.
- 5.7. The Supplier may not prevent its subcontractors from concluding contracts with Knüppel for other deliveries or services. In particular, exclusivity agreements with third Parties that prevent Knüppel or the subcontractor from obtaining deliveries or services that Knüppel or the third party requires for the fulfilment of such orders are not permitted.
- 5.8. If the Supplier uses third Parties without Knüppel's prior written consent in accordance with Clause 5.1 or if the Supplier violates the obligations in accordance with Clause 5.3, Clause 5.4 or Clause 5.5, Knüppel shall be entitled to withdraw from the contract in whole or in part and/or to claim damages.

6. Transfer of risk and dispatch

- 6.1. The Supplier bears the risk of accidental loss or accidental deterioration of the Goods until their acceptance by Knüppel (DPU according to Incoterms® 2020). If the Supplier is obliged to install or assemble the Goods at Knüppel's premises, the risk shall only pass to Knüppel upon proper acceptance of the Goods.
- 6.2. Each delivery must be accompanied by a delivery note containing the date (issue and dispatch), the order and material number, a list of the batches delivered, the description of the Goods, the delivery quantity and the weight. If the delivery is made by the Supplier directly to an end customer of Knüppel, the Supplier must enclose the delivery note provided by Knüppel with the delivery. Violations of these documentation obligations constitute a material breach of contract by the Supplier. Any damage incurred by Knüppel as a result shall be compensated by the Supplier, unless the Supplier is not responsible for the breach of duty. If the delivery note is missing or incomplete, Knüppel is not responsible for any resulting delay in processing and payment.
- 6.3. The Supplier must observe Knüppel's specifications for the dispatch of the Goods. Furthermore, the Goods must be packed in such a way that transport damage is avoided. Packaging materials are only to be used to the extent necessary for this purpose. Only environmentally friendly, recyclable packaging materials may be used.

7. Warranty and claims for defects

- 7.1. Unless otherwise agreed, the statutory warranty rights shall apply.
- 7.2. The Supplier guarantees that the delivery complies with the agreed specifications, the current state of the art, the relevant legal provisions and the regulations and guidelines of authorities, trade associations and professional organisations. In particular, the Supplier must comply with the provisions of the EU chemicals regulation REACH. Knüppel must be informed immediately of any concerns that the Supplier has about the execution of the order requested by Knüppel.
- 7.3. Knüppel's approval of drawings, calculations or other technical documents of the Supplier shall not affect Knüppel's rights, in particular warranty rights and rights arising from the breach of a guarantee.
- 7.4. Knüppel has the right, in the event of defective delivery or service, to demand the elimination of the defect (rectification) or the delivery of a defect-free item or the production of a new work (replacement delivery) and to withhold payment pro rata until proper fulfilment, without prejudice to the statutory claims for defects. The subsequent fulfilment shall be carried out in agreement with the Supplier, taking into account the operational interests of Knüppel. The right of the Supplier to refuse the chosen type of subsequent fulfilment in accordance with Section 439 Para. 4 of the German Civil Code (BGB) remains unaffected. The Supplier shall bear the expenses necessary for the purpose of subsequent fulfilment.
- 7.5. If the Supplier does not fulfil its obligation to subsequent performance immediately, at the latest within a reasonable period set by Knüppel, Knüppel may remedy the defect itself or have it remedied by a third party, provided that it has notified the Supplier of the defect. Knüppel can demand compensation from the Supplier for the necessary expenses or a corresponding advance payment.
- 7.6. Notwithstanding Section 442 Para. 1 sentence 2 of the German Civil Code (BGB), Knüppel shall also be entitled to claims for defects without restriction if the defect remained unknown to Knüppel upon conclusion of the contract due to gross negligence.
- 7.7. If parts of the delivery item are changed or replaced by other parts within the scope of claims for defects, the corresponding spare and reserve parts shall be changed or replaced at the Supplier's expense. The costs incurred by the Supplier for the purpose of inspection and rectification of defects, in particular any dismantling and installation costs, sorting costs, transport and administration costs, shall be borne by the Supplier even if it turns out that there was actually no defect.
- 7.8. Suppliers of Goods requiring spare parts are obliged to supply Knüppel with the necessary spare parts, accessories and tools for a further ten (10) years after expiry of the limitation period.

8. Notice of defects

- 8.1. Knüppel shall check immediately after acceptance of the Goods, insofar as this is feasible in the ordinary course of business, whether the quantity and identity correspond to the order and whether there is externally recognisable transport damage.

- 8.2 If a defect becomes apparent during this inspection or later, Knüppel shall, insofar as this is feasible in the ordinary course of business, notify the Supplier immediately, in the case of obvious defects within five (5) working days after the inspection and in the case of hidden defects within fourteen (14) days after discovery. In this respect, the Supplier waives the defence of late notification of defects.

9. Quality management of the Supplier

- 9.1 The Supplier is obliged to set up and maintain an appropriate quality management system. The Supplier must keep regular records of quality inspections carried out and make these available to Knüppel on request.
- 9.2 Unless expressly agreed otherwise between the Parties, the Supplier must carry out a comprehensive outgoing Goods inspection prior to delivery, in particular the Supplier must inspect the Goods to determine whether they are in accordance with the contract. If the outgoing Goods inspection reveals a defect in the Goods, the Supplier must notify Knüppel of this immediately in text form.
- 9.3 Knüppel and third Parties authorised by Knüppel are entitled to carry out quality audits at the Supplier's facilities in order to ensure compliance with the agreed quality management and the conformity of the Goods. The Supplier shall grant Knüppel or third Parties authorised by Knüppel access to its facilities during the Supplier's normal operating hours. Knüppel must notify the Supplier at least 48 hours before carrying out a quality audit.

10. Statute of limitations

- 10.1. Notwithstanding Section 438 Para. 1 No. 3 German Civil Code (BGB), the general limitation period for claims for defects – except in cases of fraudulent intent – is three (3) years from the transfer of risk, unless a longer limitation period is provided for by law. If acceptance has been agreed, the limitation period shall commence upon acceptance. The three-year limitation period shall also apply accordingly to claims based on defects of title, whereby the statutory limitation period for claims in rem for restitution by third Parties (Section 438 Para. 1 No. 1 of the German Civil Code (BGB)) shall remain unaffected. In addition, claims based on defects of title shall in no case become time-barred as long as the third party can still assert the right against Knüppel – in particular in the absence of a limitation period.
- 10.2 The limitation period for claims for defects shall be extended by the time between the notification of the defect and the rectification of the defect. This suspension of expiry shall end no later than five (5) years after delivery or service to Knüppel.
- 10.3 If Knüppel fulfils its obligation of subsequent performance by delivering a replacement, the limitation period for the Goods delivered as a replacement shall begin anew after their acceptance.

11. Prices and payment

- 11.1. The price stated in the order is binding. Unless otherwise agreed in writing, the prices stated in the order are to be understood as DPU Incoterms® 2020 to the place of delivery and/or destination stated in the order, including packaging. The prices shown are net prices only; the statutory VAT, if applicable, will be shown separately and at the applicable rate at the time of invoicing.
- 11.2. The invoice to be issued must be sent to the invoice address specified in the order or to Knüppel's administration department after the delivery/service has been completed – separately for each order. The Supplier's invoices must state the order identifiers (order number, order date, quantity and price), the number of each individual item (batches) and the delivery note number. Otherwise they shall be deemed not to have been received for lack of processing capability. Invoice duplicates must be labelled as duplicates.
- 11.3. Unless otherwise agreed, payment shall be made after acceptance of the Goods and receipt of the invoice within fourteen (14) days with a 3 % discount or within thirty (30) days net without deduction. Payment shall be made subject to invoice verification. In the event of defective delivery, Knüppel is entitled to withhold payment until proper fulfilment without loss of rebates, discounts or similar price reductions. If the Supplier has to provide material tests, test protocols, quality documents or other documents, the acceptance of the Goods also requires the receipt of these documents. The payment period shall commence after the defects have been fully remedied. In the event of premature delivery of the Goods, the payment period shall not commence until the agreed delivery date.
- 11.4. Ownership of the delivered Goods is transferred to Knüppel upon handover. Any extended or expanded retention of title by the Supplier is not recognised by Knüppel. Payments shall be made exclusively to the Supplier.
- 11.5. Invoices for partial deliveries/services must be labelled „Partial delivery invoice“ or „Partial service invoice“, final invoices must be labelled „Remaining delivery invoice“ or „Remaining service invoice“.
- 11.6. The Supplier may only declare offsetting or assert rights of retention with a legally established, recognised or undisputed counterclaim. The Supplier may only assert a right of retention if its counterclaim is based on the same contractual relationship.
- 11.7. In the case of advance payments, Knüppel is authorised to demand appropriate securities.

12. Product liability

- 12.1. The Supplier is obliged to indemnify Knüppel against any liability or third-party claims arising from the manufacture, delivery, storage or use of the delivered Goods upon first request. The Supplier is also obliged to reimburse Knüppel for payments made in settlement of justified claims. The obligation to indemnify and reimburse shall not apply if the underlying event is demonstrably based on grossly negligent or intentional behaviour on the part of the Supplier or an employee, representative, vicarious agent or company affiliated with Knüppel. The Supplier is obliged to inform Knüppel immediately of any actions brought against him or the assertion of claims and to provide all relevant documents at Knüppel's request. Further claims by Knüppel remain unaffected.

- 12.2. In the cases of Clause 12.1, the Supplier shall assume all costs and expenses, including the costs of any legal action. In particular, the Supplier shall also reimburse Knüppel for such expenses arising from or in connection with precautionary measures carried out by Knüppel against a product liability claim, in particular a warning, replacement or recall campaign. The costs and expenses to be reimbursed also include the costs of a precautionary recall campaign, insofar as this is appropriate for the protection of Knüppel's customers or external third Parties at Knüppel's dutiful discretion. The Supplier shall reimburse Knüppel for the costs of such a recall action even after expiry of the warranty period if Knüppel carries out the recall due to an official order or to avert danger to life and limb of the product users or external third Parties. Knüppel shall inform the Supplier about the content and scope of the measures to be carried out, as far as possible and reasonable, and give him the opportunity to comment.
- 12.3. Insofar as claims are asserted against Knüppel by third Parties due to a product defect of the item delivered by the Supplier that obliges Knüppel to provide compensation, the Supplier must actively support Knüppel in the defence against such claims in addition to the obligation in Clause 12.1. For this purpose, the Supplier must keep all documents and documentation relating to the delivery for a period of at least fifteen (15) years from receipt of the delivery by Knüppel and surrender them to Knüppel upon first request.
- 12.4. If the Supplier becomes aware of a defect or discovers a defect that could constitute a so-called serial defect, it is obliged to inform Knüppel of this immediately. Serial damage exists in particular if several products are defective due to the same cause and/or have the same defect. The indemnification and reimbursement obligations of the Supplier in Clauses 12.1 to 12.3 apply to each individual damage event within the scope of serial damage. A limitation of liability for serial damage is expressly not agreed.
- 12.5. The Supplier undertakes to insure itself against all risks arising from product liability in an appropriate amount, but at least in the amount of EUR 1.5 million, for personal injury, property damage and financial loss (including recall cost insurance) for each individual case of damage, at its own expense and to provide Knüppel with proof of insurance upon request. The insurance cover must be maintained for a period of at least five (5) years since the last delivery to Knüppel.

13. Liability

- 13.1. Unless otherwise agreed, the liability of the Parties shall be governed by the statutory provisions.
- 13.2. Knüppel shall be liable without limitation – regardless of the legal grounds – in the event of a breach of a guarantee, under the German Product Liability Act or injury to life, limb or health. The same applies to intent and gross negligence on the part of Knüppel, its organs and executive employees. Liability for simple vicarious agents (Section 278 of the German Civil Code (BGB)) is excluded to the extent permitted by law.
- 13.3. In the event of simple negligence, Knüppel shall only be liable, subject to Clause 13.2, for damages due to the breach of a cardinal obligation. Cardinal obligations are those whose fulfilment is essential for the proper execution of the contract and on whose compliance the contractual partner regularly relies and may rely. In the event of a breach of a cardinal obligation, Knüppel's liability shall be limited to the foreseeable damage typical for the contract. This also applies to slightly negligent breaches of duty by the legal representatives or vicarious agents of Knüppel.

14. Prohibition of assignment

- 14.1. Assignments and other transfers of rights and obligations of the Supplier outside the scope of application of Section 354a of the German Commercial Code (HGB) require the prior written consent of Knüppel.

15. Cancellation

- 15.1. Knüppel is entitled to terminate the contract at any time in accordance with Section 648 sentence 1 of the German Civil Code (BGB) or in corresponding application.
- 15.2. Knüppel is entitled to terminate the contract for good cause. An important reason is in particular
- 15.2.1 the Supplier does not fulfil its contractual obligations despite a written request and the unsuccessful setting of a reasonable deadline;
 - 15.2.2 in connection with the performance of deliveries and services, the Supplier violates public law regulations or requirements that are subject to penalties and fines to a considerable extent;
 - 15.2.3 the Supplier definitively refuses to fulfil one or more contractual obligations;
 - 15.2.3.1 the occurrence or imminent occurrence of a significant deterioration in the Supplier's financial circumstances which makes it sufficiently probable that the Supplier will not be able to fulfil its obligations under this contract or will not be able to fulfil them properly; and
 - 15.2.3.2 refusal to open insolvency proceedings due to lack of assets
- 15.3. The cancellation must be in writing. If one of the contracting Parties cancels the contract, the Supplier must immediately return all work documents required for the continuation of the services and items provided to it by Knüppel. If the Supplier is entitled to disputed residual remuneration claims in such a case and if the Supplier has asserted a right of retention for this reason in close temporal connection with the termination, Knüppel may avert any existing right of retention by providing a valuable security of its choice, the amount of which it may determine in accordance with Section 315 of the German Civil Code (BGB).
- 15.4. The right to terminate the contract for good cause and the Supplier's right to terminate the contract in accordance with Section 643 of the German Civil Code (BGB) shall remain unaffected.
- 15.5. Knüppel may withdraw from the order of deliveries (Section 433 of the German Civil Code (BGB)) at any time up to the handover of the delivery if, due to special circumstances, Knüppel no longer has an interest in the provision of the services owed by the Supplier.

16. Rights of use and industrial property rights

- 16.1. Insofar as the delivery, the service or the contractual or customary use of the Goods require rights of use or industrial property rights, the Supplier shall – unless expressly agreed otherwise in writing – grant Knüppel the necessary rights in the form of a non-exclusive, transferable right that is unlimited in terms of time, content and territory, including any software and the

associated documentation as well as any updates, upgrades or other further developments. The right of use shall also include Knüppel for changes to the Goods as well as illustrations, drawings, calculations, analysis methods, recipes and other works that are produced or developed by the Supplier during the conclusion and execution of the contract.

- 16.2 Knüppel is entitled to grant sub-licences, provided that the Supplier's copyright is protected. Knüppel may transfer information and documents to third Parties for the purpose of reproducing replacement and spare parts.
- 16.3 Insofar as licence fees are incurred for the contractual use of the Goods, also in connection or in interaction with other items, these shall be borne by the Supplier.
- 16.4 The Supplier warrants that the Goods delivered by it are free from third-party rights, in particular those of its subcontractors, and that no patents or other third-party industrial property rights within the Federal Republic of Germany or the European Union are infringed by their delivery or contractual use, including in combination or interaction with other items.
- 16.5 If patents or industrial property rights of third Parties are infringed by the delivery or service of the Supplier, the Supplier is obliged to ensure that the infringement no longer exists by procuring the rights or by modifying the Goods or delivering modified Goods – insofar as this is reasonable for Knüppel.
- 16.6 The Supplier is liable for ensuring that the delivery and use of the Goods and/or the manufactured work does not infringe the property rights and copyrights of third Parties. Notwithstanding this Clause 16, the Supplier shall indemnify Knüppel against any claims by third Parties for infringement of patents or other industrial property rights as well as the expenses incurred in connection with the claim and shall bear all costs, including legal fees, incurred by Knüppel as a result. This obligation does not apply if Knüppel makes agreements with the third party without the Supplier's consent that relate to the third party's claims, in particular if it concludes a settlement, or if the Supplier is not responsible for the infringement of property rights. The Supplier must provide Knüppel with all information and documents necessary for the defence immediately and free of charge, insofar as this is reasonable. In addition, he shall support Knüppel to the best of his ability in the defence against the asserted claims at Knüppel's request.
- 16.7 Paragraphs 2 to 4 of this Clause 16 shall also apply accordingly to those countries of which the Supplier was aware at the time of conclusion of the contract that the Goods would be shipped there by Knüppel.
- 16.8 Even if industrial property rights of the Supplier exist, Knüppel or its authorised representatives may carry out repairs.

17. Transfer of objects through Knüppel

- 17.1. Knüppel retains ownership of samples, models, drawings, artwork, tools and other objects that are provided to the Supplier for the production of the ordered Goods or for other reasons. The Supplier is obliged to use these objects exclusively for the production of the ordered Goods or according to Knüppel's other specifications. Such items may not be made accessible to third Parties. The Supplier must return the items to Knüppel immediately at its own expense without being requested to do so, provided that their surrender is no longer required.

- 17.2. The processing or transformation of objects provided by the Supplier shall be carried out for Knüppel. If such items are processed with other items not belonging to Knüppel, Knüppel shall acquire co-ownership of the new item in the ratio of the value of Knüppel's item to the other processed items at the time of processing.
- 17.3 The Supplier is obliged to handle and store the items provided with care. It must insure the items provided at its own expense at replacement value against fire, water damage and theft. He hereby assigns all claims for compensation from this insurance to Knüppel. Knüppel hereby accepts the assignment. The Supplier is obliged to carry out the necessary maintenance and inspection work as well as all maintenance and repair work on the objects provided at its own expense and in good time. He must notify Knüppel immediately of any damage that occurs.
- 17.4 Goods that the Supplier manufactures in whole or in part according to Knüppel's specifications or using items provided by Knüppel may only be used by the Supplier itself or offered, delivered or otherwise made accessible to third Parties with Knüppel's prior written consent. This also applies to Goods that Knüppel has justifiably not accepted from the Supplier. In the event of violations, the Supplier must pay a contractual penalty to Knüppel. Further claims by Knüppel remain unaffected.
- 17.5 The Supplier undertakes to pay a contractual penalty to be determined by Knüppel at its reasonable discretion, to be reviewed by the competent court in the event of a dispute, for each individual case of culpable breach of its confidentiality obligations, excluding the continuation of the offence and irrespective of proof of specific damage. The Supplier shall be liable for the misconduct of its own employees, vicarious agents or other persons engaged by the Supplier in the same way as for its own misconduct. The burden of proof for the existence of an offence lies with Knüppel. The burden of proof that such an offence was not culpable lies with the Supplier.
- 17.6 The assertion of a further, more extensive claim for damages shall remain unaffected; the contractual penalty shall be offset against a possible claim for damages by Knüppel. In particular, the Supplier shall be liable for any unauthorised use of the confidential information and shall indemnify Knüppel upon first request against any damages arising from non-compliance with the obligations of this agreement, unless such unauthorised use is not based on a culpable breach of the above confidentiality obligations by Knüppel. Clause 17.5 sentence 2 f. shall apply accordingly to claims for damages.

18. Force majeure

- 18.1. If Knüppel is prevented from fulfilling its contractual obligations, in particular from accepting the Goods, due to force majeure in accordance with Clause 18.2, Knüppel shall be released from its obligation to perform for the duration of the hindrance and a reasonable start-up period, without being obliged to pay damages to the Supplier. The same applies if Knüppel's fulfilment of its obligations is made unreasonably difficult or temporarily impossible due to unforeseeable circumstances for which Knüppel is not responsible, in particular due to official measures (regardless of their legality), energy shortages, lack of means of transport, power failure, failure of telecommunications connections or significant operational disruptions.
- 18.2. All unusual, unforeseeable events independent of the will and influence of the Parties, such as in particular natural disasters, terrorist attacks, political unrest, epidemics and pandemics, blockades, sabotage, embargoes, strikes, lockouts and other industrial action, shall be deemed force majeure.

- 18.3. Knüppel shall inform the Supplier promptly about the events that have occurred.
- 18.4 Knüppel is entitled to withdraw from the contract if such an obstacle according to Clause 18.1 lasts for more than two (2) months and the fulfilment of the contract is no longer of interest to Knüppel as a result of the obstacle. At the request of the Supplier, Knüppel shall declare after expiry of the period whether it will exercise its right of withdrawal or whether it will accept the Goods within a reasonable period of time.

19. Confidentiality

- 19.1. The Supplier is obliged to use all information, data, documents and other aids („Confidential Information“) that become accessible to it via Knüppel or are obtained in this context in any other way exclusively for the fulfilment of its obligations and to treat them as strictly confidential for an unlimited period of time, to implement appropriate security measures to protect the Confidential Information and, in particular, not to make them available to unauthorised third Parties. In particular, Confidential Information also includes computer applications, documented work processes and other know-how of Knüppel.
- 19.2. However, the obligation in Clause 19.1 does not extend to such information that
- 19.2.1 are already in the public domain (i.e. easily accessible to any third party) at the time of their transmission by Knüppel or become public knowledge after their transmission without a breach of confidentiality obligations – in particular those of this Clause 19 and without a breach of the obligations arising from the contract or these Purchase Conditions or
 - 19.2.2 were demonstrably already known to the Supplier at the time of their transmission or
 - 19.2.3 must be disclosed by the Supplier due to official order or legal obligation.
- 19.3. After termination of the contract, the Supplier shall return all Confidential Information generated in connection with the provision of services or received from Knüppel or third Parties or obtained in any other way, including any copies made thereof, in an organised form. If the Confidential Information is in electronic form, it must be irrevocably deleted after a copy has been handed over. At Knüppel's request, the destruction of the Confidential Information must be confirmed in writing in lieu of an oath in the event of destruction or deletion.
- 19.4. The Supplier shall obligate all employees and subcontractors involved in the performance of the contract to maintain confidentiality in writing for an unlimited period of time, also for the period after their departure, to the extent permitted by labour law. Furthermore, the Supplier shall only disclose the Confidential Information to those employees and subcontractors who need to know it for the performance of the contract. The Supplier expressly declares that it shall be liable for any culpable breach by its representatives (in particular employees and subcontractors).
- 19.5 The Supplier guarantees that the property rights and copyrights of third Parties are not violated in the provision of its services. In the event of a corresponding culpable infringement of rights, the Supplier shall indemnify Knüppel from third-party claims upon first request and reimburse Knüppel for all damages and expenses arising from the claim, including any legal costs.

20. Publication/Advertising

- 20.1. Any utilisation or disclosure of existing business relationships with Knüppel in publications or for advertising purposes is only permitted with the express prior written consent of Knüppel.

21. Transfer abroad

- 21.1. The Supplier undertakes to observe and comply with all relevant export control and customs regulations when carrying out the legal transaction. This also applies in particular in the event that the Supplier procures the Goods to be delivered to Knüppel from Suppliers or uses parts or raw materials procured from such Suppliers to manufacture the Goods.
- 21.2. The Supplier is obliged to inform Knüppel prior to the legally effective conclusion of the legal transaction of any import or export restrictions with regard to the Goods to be delivered by him, in particular authorisation requirements or import or export bans, in accordance with German, European or US export control and customs regulations as well as the export control and customs regulations of the country of origin of his Goods. To this end, the Supplier shall provide at least the following information:
- 21.2.1 the list item according to Annex AL to the German Foreign Trade and Payments Ordinance;
 - 21.2.2 the list position according to the Annexes to the EC Dual-Use-Regulation;
 - 21.2.3 comparable list items of relevant export control regulations, in particular in accordance with existing embargo regulations;
 - 21.2.4 the ECCN (Export Control Classification Number) for US Goods;
 - 21.2.5 the commercial origin of its Goods and the components of its Goods, including technology and software;
 - 21.2.6 whether the Goods were or are transported through the USA, manufactured or stored in the USA, or manufactured using US technology;
 - 21.2.7 the statistical goods number (HS code) of its Goods, and
 - 21.2.8 a contact person in its company to clarify any queries from Knüppel.
- At Knüppel's request, the Supplier is obliged to inform Knüppel in writing of all further foreign trade data on its Goods and their components and to inform Knüppel immediately (even after delivery of affected Goods) in writing of all changes to the above data.
- 21.3. If the Supplier violates one of the provisions mentioned in Clauses 21.1 and 21.2 and Knüppel is therefore unable to resell the ordered or already delivered (and possibly further processed) Goods, Knüppel is entitled to declare its cancellation of the contract. Furthermore, the Supplier is obliged to compensate Knüppel for the damage arising from such an impossibility of resale.
- 21.4. If the Supplier violates one of the provisions mentioned in Clauses 21.1 and 21.2 and Knüppel is therefore held liable by a third party, Knüppel is also entitled to declare its cancellation of the contract. The Supplier is also obliged to indemnify Knüppel against all claims that third Parties assert against Knüppel due to its own violation and to compensate Knüppel for the damage resulting from such a claim.

- 21.5 Clause 21.4 shall apply accordingly in the event that the Supplier violates one of the provisions set out in Clauses 21.1 and 21.2 and Knüppel or individual persons working for Knüppel are therefore held liable for a criminal offence or administrative offence.
- 21.6 If Knüppel is unable to resell the ordered or already delivered (and possibly processed) Goods due to a restriction on foreign trade that comes into force after the conclusion of the contract (e.g. due to an embargo or a tightening of the embargo), Knüppel is entitled to withdraw from the contract.

22. Compliance

- 22.1. The Supplier confirms that it complies with all relevant laws of the applicable legal systems in connection with the delivery of the Goods, in particular the German Act on Corporate Due Diligence in Supply Chains („LkSG“) including the obligations provided for in Clause 23 and from the areas of criminal law, antitrust law, social security law and administrative offences law as well as with regard to the minimum wage and the avoidance of child labour.
- 22.2 The Supplier confirms that it complies in particular with the relevant anti-corruption laws and regulations and does not make any financial contributions or other gifts to employees of Knüppel or their family members for the purpose of obtaining orders from Knüppel. He will not engage in such practices in the future either.
- 22.3 The Supplier assures that it fulfils the legal requirements of the German Act Regulating a General Minimum Wage (MiLoG) – where applicable – and pays the respective minimum wage to its employees to whom the German Act Regulating a General Minimum Wage MiLoG applies. In addition, the Supplier confirms in accordance with Section 19 of the German Act Regulating a General Minimum Wage (MiLoG) that it is not excluded from the award of public contracts.
- 22.4 The Supplier shall observe the principles of the UN Global Compact Initiative. These essentially concern the protection of international human rights, the right to collective bargaining, the abolition of forced labour and child labour, the elimination of discrimination in recruitment and employment, responsibility for the environment and the prevention of corruption. Detailed information on the UN Global Compact Initiative can be found at www.unglobalcompact.org.
- 22.5 The Supplier is obliged to oblige subcontractors and sub-suppliers to comply with the regulations contained in this Clause.
- 22.6 If the Supplier violates the provisions contained in this Clause, Knüppel may withdraw from contracts with the Supplier in accordance with the statutory provisions or terminate them for good cause, break off all contractual negotiations and demand compensation for damages and indemnification from claims that third Parties may assert against Knüppel.

23. Due diligence obligations in the supply chain

- 23.1. Knüppel is committed to ecologically and socially responsible corporate governance. By entering into contractual relationships, Knüppel's contractual partners in the direct supply chain also commit to ecologically and socially responsible corporate governance. Knüppel expects its employees to observe the principles of ecological, social and ethical behaviour and to integrate them into the corporate culture. Knüppel strives to continuously optimise its business activities and its own products in terms of sustainability.

- 23.2 The contracting Parties agree that the following provisions shall apply to future cooperation. The contracting party undertakes to fulfil the principles and requirements of the regulations and to endeavour to contractually bind its subcontractors.
- 23.3 The contracting Parties undertake to observe and fulfil the due diligence obligations set out in division 2 of the German Act on Corporate Due Diligence in Supply Chains (LkSG) in their supply chains in an appropriate manner in accordance with Section 3 Para. 2 of the German Act on Corporate Due Diligence in Supply Chains (LkSG). The Supplier is obliged to properly fulfil the obligations incumbent upon it and to support Knüppel in the fulfilment of its obligations to the best of its ability, in particular the Supplier must provide Knüppel with all information and documents necessary for the fulfilment of the obligations incumbent upon Knüppel in accordance with the German Act on Corporate Due Diligence in Supply Chains (LkSG) without delay at Knüppel's request.
- 23.4 In particular, the contracting Parties shall take the following preventive measures:
- 23.4.1 The contracting Parties shall take into account the human rights and environmental expectations of the second division of the German Act on Corporate Due Diligence in Supply Chains (LkSG) when selecting their respective contractual partners in the direct supply chain.
- 23.4.2 The contracting Parties hereby contractually assure and obtain contractual assurances from the respective contractual partners in the direct supply chain that they will comply with the human rights and environmental expectations of the second division of the German Act on Corporate Due Diligence in Supply Chains (LkSG) as required by the company's management and address them appropriately along the supply chain.
- 23.4.3 The contracting Parties regularly conduct training and further education to enforce the contractual assurances of the contracting Parties in the direct supply chain within their own organisation.
- 23.5 The due diligence obligations to be observed include in particular, although not exhaustively, social responsibility through the exclusion of forced labour, prohibition of child labour, fair remuneration, fair working hours and freedom of association for employees, prohibition of discrimination, health protection, safety at work, preservation of natural resources, remedial measures and grievance mechanisms.
- 23.6 If and to the extent that Knüppel is obliged to set up an appropriate and effective risk management system to comply with the due diligence obligations, to carry out a risk analysis in accordance with Section 5 of the German Act on Corporate Due Diligence in Supply Chains (LkSG) or to document the fulfilment of the due diligence obligations including annual reporting on its website in accordance with Section 10 of the German Act on Corporate Due Diligence in Supply Chains (LkSG), the Supplier shall be obliged to support Knüppel in the fulfilment of these obligations to the best of its ability. In particular, the Supplier shall provide Knüppel with all information and documents necessary for the fulfilment of Knüppel's obligations under the German Act on Corporate Due Diligence in Supply Chains (LkSG) without delay at Knüppel's request.
- 23.7 The contracting Parties undertake to inform each other about the implementation of the preventive measures described in Clause 23.

24. Place of jurisdiction, place of fulfilment

- 24.1. If the Supplier is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, Knüppel's place of business shall be the exclusive – also international – place of jurisdiction for all disputes arising directly or indirectly from this contractual relationship.
- 24.2 The place of fulfilment for all services of the Supplier and Knüppel is the registered office of Knüppel in Hann. Münden, Germany.

25. Contract language/Applicable law

- 25.1. The contract language is German.
- 25.2 These Purchase Conditions and the entire legal relationship between the Supplier and Knüppel are subject to the substantive law of the Federal Republic of Germany, excluding the applicability of the United Nations Convention on Contracts for the International Sale of Goods of 11 APRIL 1980 (CISG).

26. Written form

- 26.1. Unless otherwise agreed, e-mails do not fulfil the written form requirement within the meaning of these Purchase Conditions. Amendments or supplements to these Purchase Conditions must be made in writing. This also applies to this written form requirement.

27. Severability Clause

- 27.1. Should individual provisions of these Purchase Conditions or a provision within the framework of other agreements between the Supplier and Knüppel violate statutory provisions in whole or in part or be or become invalid or unenforceable for other reasons, the contract as a whole and the remaining provisions of these Purchase Conditions shall remain valid. The contracting Parties are obliged to replace the invalid or unenforceable provision with a provision that comes closest to what the contracting Parties intended in the economic sense when the contract was concluded. The same shall apply in the event of a gap in the contract.