

Conditions for purchasing

Zeppelin Systems GmbH – Graf-Zeppelin-Platz 1 – 88045 Friedrichshafen, Germany

1. Scope

- 1.1 Our conditions of purchase shall apply exclusively; conflicting or divergent terms and conditions of the supplier shall be without effect unless we have expressly consented to them in writing. Our conditions of purchase shall be valid and applicable even if delivery and performance of the supplier is accepted without reservation and in cognizance of divergent terms and conditions of the supplier.
- 1.2 All agreements reached between us and the supplier shall be put in writing in this contract.
- 1.3 Delivery shall always be understood to mean the performance as well.

2. Offers

- 2.1 The quote given by the supplier shall be in exact accordance with our inquiry. If he has a technically or economically more favourable solution, he shall quote for this separately. The supplier shall point out any deviations from our inquiry explicitly.
- 2.2 Offers shall be binding, free of charge and entail no obligation on our part. Cost estimates will only be paid for if prior agreement is reached beforehand in writing.
- 2.3 We reserve the title and copyright to all our illustrations, drawings, calculations, the means of manufacture of any kind, and all other documents. They must not be disclosed to third parties without prior express permission in writing. They shall be used solely for production purposes on the basis of our order, and, once the order has been executed, shall be handed back to us, when we so request, including any copies that may have been made. They shall be kept confidential vis-à-vis third parties. The provisions listed in paragraph 16 shall also apply.

3. Orders

- 3.1 Orders and changes to orders shall be in writing. Any orders placed verbally or by telephone shall require our confirmation in writing to be binding.
- 3.2 Every order and change to an order shall be confirmed by the supplier in writing. This shall be effected by returning a signed copy of the order.
- 3.3 The supplier shall promptly check the order for any noticeable errors, ambiguities or incompleteness, or the unsuitability of purchaser-chosen specifications for the intended use, and promptly inform us about any necessary changes to or more detailed specification of the order.

4. Prices, terms of payment

- 4.1 The price indicated in the order shall be a fixed price. The price shall be to FCA INCOTERMS 2020 in EURO excluding taxes.
- 4.2 Unless agreed otherwise in writing, payment shall be effected within 30 days, calculated from the time of delivery/performance and receipt of an auditable invoice, with 3% discount for prompt payment or within 60 days net.
- 4.3 Each order with its own number shall be invoiced separately.
- 4.4 We shall be entitled to rights of set-off and retention within the scope provided by law.
- 4.5 We shall be entitled to cancel the contract without notice if an application has been made to open insolvency proceedings on the assets of the supplier.

5. Amendments, execution and termination

- 5.1 We shall be entitled to alter the scope of delivery even after the order has been placed. In the event of such subsequent amendments, the supplier shall promptly inform us in writing as to what effects the request for change will have, especially with regard to time and costs.
- 5.2 Changes to the scope of delivery shall only be permissible after our prior written agreement.

- 5.3 All deliveries shall be executed with observance of all the relevant regulations (for example, the specifications we have indicated, DIN, VDE or similar standards). Any costs/losses arising due to deviation from the latter shall be borne by the supplier.
- 5.4 Hazardous substances and/or materials shall be marked by the supplier with the relevant safety data sheets included in the delivery.
- 5.5 We shall be entitled at any time to rescind or suspend the order, partly or entirely. In such a case, the supplier shall be entitled to payment for the verifiable costs he has incurred.

6. Shipping and invoicing – transfer of risk

- 6.1 The deliveries shall be in accordance with FCA INCOTERMS 2020.
- 6.2 Documents and invoices shall bear at least our order or call-off number, the vendor number, and our material number and -quantity. Shipping documents shall also bear at least the delivery point.
- 6.3 In case the supplier fails to give all or some of the necessary information under subparagraph 6.2, we cannot be held responsible for any delays in processing.
- 6.4 In case the supplier fails to observe subparagraph 6.2, we reserve the right to invoice the supplier for the costs incurred due to this.
- 6.5 We shall be entitled to return the packaging material for the goods at the expense of the supplier.
- 6.6 Any additional costs or expenses resulting from deficient packaging shall be borne by the supplier.
- 6.7 If, and insofar as, an acceptance is agreed, the transfer of risk shall take place at the time of acceptance.

7. Proof of origin, fiscal sales tax evidence and export restrictions

- 7.1 Certificates of origin we have requested from the supplier shall bear all of the necessary information and be made available correctly and promptly.
- 7.2 The supplier shall notify us promptly in writing, without being asked, if the information on the certificates of origin for the delivered goods is no longer valid.
- 7.3 The same shall apply for evidence of fiscal sales tax with deliveries both within the European Union or outside European Union.
- 7.4 The supplier shall notify us promptly if a delivery is partly or totally subject to export restrictions under German law or some other law.

8. Delivery dates, delay

- 8.1 Time periods and dates agreed for delivery are binding. Where a delivery period is agreed, this shall commence from the date that the order is placed.
- 8.2 If the supplier can foresee that the goods cannot be delivered within the delivery period, the supplier shall promptly notify us in writing about this, stating the reasons why and naming the anticipated new time of delivery. Our entitlements due to the supplier's being in default shall remain unaffected by this.
- 8.3 If the supplier does not fulfil his obligation within the agreed delivery period, a contractual penalty of 0.5% of the total order value for each commenced week of delay shall be payable, however not more than 5% in total. Over and above this, the supplier's liability under statutory provisions shall apply.
- 8.4 If a contractual penalty is agreed, this shall be claimable until the closing payment is due, without this requiring a proviso pursuant to clause 341 para. 3 of the German Civil Code.
- 8.5 Partial deliveries shall be permissible only after obtaining our express permission in writing.
- 8.6 Where deliveries are made earlier than agreed, we shall be entitled to set a payment date for invoices no earlier than the agreed delivery deadline and/or put the goods into storage until that time at the supplier's expense.

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9. Force majeure

Force majeure is any external event that can be attributed to the forces of nature or is brought on by the actions of a third party, and which, even with best human judgement and experience, could not be foreseen, avoided or rendered harmless with commercially reasonable means, even after taking the greatest care appropriate to the circumstances. Force majeure frees the contractual partner for the duration of the disturbance and to the extent of its effect on the obligation to perform. The contracting parties are under an obligation to make all reasonable efforts to promptly pass on the necessary information and to adapt their duties to the altered circumstances in good faith.

10. Liability for defects

- 10.1 The supplier shall warrant that all parts delivered are brand new, that the delivery item has no defects that would diminish its value or suitability, is of the agreed or guaranteed quality, is suitable for the use prescribed in the contract, and conforms to the generally recognised codes of practice, the latest authority regulations, the equipment safety directive, the latest technical safety regulations, and the health and safety regulations.
- 10.2 We are legally entitled to the statutory claims for defects. The statutory periods of limitation shall also apply.
- 10.3 We shall in any case have the right to choose either rectification of defects or supply of a new item.
- 10.4 The place of fulfilment for defects claims shall in all cases be the place of use.
- 10.5 With notice of defects, the period of limitation shall be extended by the time span between notification and rectification of defects. In case the delivery item is replaced, the period of limitation shall begin again. In case of partial renewal, this shall apply for the renewed parts.
- 10.6 Defects not detected or expressly mentioned in an acceptance procedure shall not be considered as approved.
- 10.7 We shall notify the supplier of any defects in the delivered items as soon as they are detected in the circumstances of normal business operations, in some instances not until installation at the designated place of use. In this instance the supplier shall waive the objection of delayed notice of defects.
- 10.8 Beyond the above, the supplier shall give warranty under the statutory regulations.

11. Liability

The supplier shall be liable solely in accordance with the statutory regulations.

12. Product liability

- 12.1 Where the supplier is liable for product damage, he shall indemnify us against third-party claims for damage on first demand, insofar as the cause lies in his area of control and organisation.
- 12.2 Within these bounds, the supplier shall also be obliged to refund any expenses we incur due to, or in connection with, a recall action we undertake. We shall notify the supplier about the content and scope of any recall measures to be undertaken as far as is possible and reasonable. Other statutory claims shall remain unaffected by this.

13. Insurance

The supplier shall take out suitable insurance cover on the usual terms for the industry and maintain it until the end of the warranty period. Evidence of this shall be provided upon request. The scope of contractual and statutory liability shall not be limited as a result of this.

14. Violation of industrial property right

The supplier gives an assurance that the delivery and use of the goods or services will not violate the protective rights of a third party. The supplier shall bear any license fees that may be imposed.

15. Reservation of ownership

- 15.1 We shall not recognise extended or prolonged reservation of ownership by the supplier. We must not be refused the usual commercial use of the delivery item due to a reservation of ownership.
- 15.2 Secrecy, returning of documents
- 15.3 All documents and records that we have made available to the supplier shall remain our property, and must not be disclosed to any third party unless we have given prior express permission in writing for this. On conclusion of the job, all documents and records shall be returned to us free of charge.
- 15.4 We shall retain industrial property rights over all documents handed over to the supplier.
- 15.5 The supplier shall treat the enquiry, order and the associated work as a commercial secret and accordingly treat it as confidential. The supplier shall be liable for any losses we may incur due to a violation of these duties.
- 15.6 Goods produced according to our specifications, drawings and models must not be disclosed to any third party without our approval in writing.
- 15.7 All know-how acquired from us, and all other commercial and operational secrets that have come to the knowledge of the supplier during execution of the job, shall be kept secret and must not be disclosed to any third party.
- 15.8 The same undertaking under subparagraphs 16.1-16.6 shall be imposed on subcontractors.

16. Promotional material

Our express permission must be obtained in writing before any reference is made to our existing commercial relationship in informational or promotional material.

17. Transfer of rights and obligations

The supplier shall not transfer his essential contractual obligations to a third party without our express permission in writing.

18. Ethical Principles and Compliance with the German Supply Chain Due Diligence Act (LkSG)

- 18.1 ZRD has drawn up a code of conduct for Suppliers ("Code of Conduct") which sets the minimum standards for any business relationship with ZRD and which ZRD expects Suppliers to comply with. This can be viewed at <https://www.zeppelin.com/de/unternehmen/ueber-uns/verantwortung/compliance/> or will be sent to the Supplier on request.
- 18.2 The Supplier warrants that it will comply with the provisions of this clause 18 and with the Code of Conduct.
- 18.3 ZRD reserves the right to audit compliance with the provisions of clause 18 and the Code of Conduct or to have such compliance audited by an auditor. ZRD shall give reasonable notice of the audit before it is carried out. For this purpose, the Supplier shall grant ZRD and/or the auditor access to its business premises during its normal business hours and comprehensive inspection of and access to all documents, data and systems in connection with the performance of the contracts concluded. The Supplier shall be entitled to take appropriate measures to protect its trade and business secrets and to protect the confidentiality of its customer data.
- 18.4 If the Supplier culpably violates the provisions of this clause 18 or the Code of Conduct, ZRD shall be entitled to temporarily suspend the business relationship after the fruitless expiry of a grace period. If the continuation of the contract until its ordinary termination is unreasonable for ZRD, ZRD may terminate the contract after the fruitless expiry of a grace period if ZRD has threatened to do so when setting the grace period. The right to extraordinary termination without setting a grace period pursuant to Section 314 (2) sentence 3 BGB shall remain unaffected, as shall the right to claim damages.

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- 18.5 The Supplier shall be obliged to inform ZRD - e.g. via the Zeppelin Trustline at <https://www.zeppelin-trustline.com> - of any violations of the Code of Conduct identified by it in its business area and of the measures taken as a result.
- 18.6 The Supplier undertakes to also address and pass on the expectations directed at it and the measures expected of it to its suppliers in its supply chain.
- 18.7 The Supplier shall cooperate with ZRD and support ZRD to the best of its ability in the measures required by the LkSG with regard to the termination, avoidance and minimization of human rights and environmental risks, in particular in the implementation of necessary preventive and remedial measures.
- 18.8 In the event of a violation of the standards of the Code of Conduct by indirect suppliers of ZRD, the Supplier shall work closely with ZRD to remedy the violation.
- 18.9 The obligations of this clause 18 and of the Code of Conduct to be complied with by the Supplier may be adjusted at any time depending on the results of the risk analyses carried out by ZRD on an ongoing basis. The Supplier shall be notified by ZRD one (1) month before any adjustment comes into force and shall have the opportunity to object to it within two (2) weeks of being notified, which ZRD shall point out to the Supplier again separately in each individual case.

19. Applicable law, jurisdiction

- 19.1 The contract shall be governed exclusively by German law. Use of the UN Convention on the International Sale of Goods of 11 April 1980 shall be excluded.
- 19.2 Where the supplier has his permanent registered office in Germany, the court of jurisdiction shall be Friedrichshafen. In this case though, we shall also be entitled to institute proceedings against the supplier at his court of jurisdiction. Where the supplier has his permanent registered office outside Germany, any disputes arising from, or in connection with, the present contract shall be finally settled by the rules of arbitration of the international chamber of commerce by a judge appointed by the relevant arbitration body. In this case the Swiss substantive law shall apply. The venue of the court of arbitration is Zurich. The negotiation language is English.