

General Conditions of Purchase of CEMTEC Inc.

(Edit 08/2025)

1. Definitions

- 1.1. **“Agreement”** shall mean:
 - 1.1.1. The Purchase Order of CEMTEC;
 - 1.1.2. Attachments of CEMTEC that are referred to in the Purchase Order; and
 - 1.1.3. The GCP of CEMTEC.
- 1.2. **“Client”** shall mean CEMTEC’s buyer of the Order Scope.
- 1.3. **“Client Contract”** shall mean the contract between CEMTEC and Client.
- 1.4. **“GCP”** shall mean these General Conditions of Purchase of CEMTEC.
- 1.5. **“Goods”** shall mean the Goods to be sold by Supplier and bought by CEMTEC.
- 1.6. **“Order Scope”** shall mean the Goods and/or Services ordered by CEMTEC.
- 1.7. **“Quote”** shall mean offer of cost for Goods and/or Services made by Supplier.
- 1.8. **“Party”** shall mean either Supplier or CEMTEC (collectively, the **“Parties”**)
- 1.9. **“Purchase Order”** shall mean the contract between CEMTEC and Supplier regarding the Goods and/or Services to be provided by Supplier.
- 1.10. **“Services”** shall mean the Services provided by Supplier
- 1.11. **“Supplier”** shall mean the seller of Goods and/or provider of Services.
- 1.12. **“Working Day”** shall mean days from Monday to Friday excluding national holidays at the place of Supplier.

2. Scope

- 2.1. Supplier agrees to sell the Goods and/or provide the Services specified in CEMTEC’s Purchase Order in accordance with the GCP, any supplemental clauses referenced in the Purchase Order, and any documents specifically incorporated in the Purchase Order, all of which constitute the entire Agreement between Supplier and CEMTEC and cancels and supersedes any prior or contemporaneous agreements. THIS AGREEMENT IS EXPRESSLY LIMITED TO SUPPLIER’S ACCEPTANCE OF THESE GENERAL CONDITIONS OF PURCHASE. CEMTEC EXPRESSLY REJECTS ANY ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS IN SUPPLIER’S FORMS. NO MODIFICATION OR WAIVER OF ANY OF THESE TERMS AND NO ADDITIONAL OR DIFFERENT TERMS OR CONDITIONS SHALL BE EFFECTIVE UNLESS AGREED TO IN WRITING SIGNED BY BOTH PARTIES.
- 2.2. If CEMTEC’s Purchase Order makes reference to Supplier’s Quote, this shall not be construed to imply acceptance of Supplier’s terms and conditions in any form.
- 2.3. At the latest, commencement of the Purchase Order execution by Supplier shall be deemed acceptance of the Agreement by Supplier.
- 2.4. The Agreement constitutes the entire agreement between the Parties with respect to the Order Scope. All references of the Parties to the Purchase Order shall be construed as to mean the whole Agreement.
- 2.5. In case of a discrepancy or conflict between the Agreement documents they shall apply with the priority given in Section 1.1.
- 2.6. Supplier shall review the contents of the Agreement for completeness and absence of errors and shall immediately inform CEMTEC about any errors in the Agreement. If Supplier fails to review for, or immediately notify CEMTEC of any errors with the

Agreement, Supplier may not later claim additional costs or other disadvantages resulting from such errors from CEMTEC.

- 2.7. The following conditions in respect of the purchase of Goods and procurement of Services shall apply accordingly. The conditions shall apply equally to primary and ancillary Services.

3. **Quotes/Orders**

- 3.1. Quotes are binding and shall be issued free of charge. If Supplier has submitted a Quote, Supplier shall be bound to CEMTEC in respect of the declarations made therein for ninety (90) days.
- 3.2. Only Purchase Orders placed by CEMTEC in writing are legally binding. Verbal offers require confirmation by CEMTEC in writing in order to be effective.
- 3.3. If the Purchase Order issued by CEMTEC contains an order number, this number shall be quoted by Supplier in all correspondence relating to the Purchase Order.
- 3.4. If deadlines are stated on the Purchase Order, the date that appears in such Purchase Order shall apply to the Agreement.

4. **Commencement of Contract**

- 4.1. The contractual relationship between the Parties shall become effective through CEMTEC's Purchase Order based on Supplier's Quote. Upon submission by email, the Purchase Order is deemed legally effective.
- 4.2. In the event that Supplier's written Order Acknowledgement has not been received by CEMTEC within fourteen (14) days from the date of the Order, CEMTEC reserves the right to withdraw the Purchase Order.
- 4.3. Changes, modifications, and addenda to the Purchase Order require written confirmation from CEMTEC in order to be valid.
- 4.4. After acceptance of the Purchase Order, CEMTEC is entitled, within reasonable limits for Supplier, to demand changes to the Order Scope with respect to design and volume, so long as the change is within reasonable commercial practice. The impact on delivery dates and any surcharges or reductions in cost shall be agreed to mutually in an appropriate and amicable manner.
- 4.5. Price increases and extensions of delivery times shall only be accepted, if they are minor additional charges or extensions of delivery times and if Supplier has advised CEMTEC of these consequences in writing immediately after the Purchase Order has been amended.

5. **Prices**

- 5.1. The prices contained in the Purchase Order are fixed prices, including all expenses incurred by Supplier in connection with the fulfillment of the Order Scope. Such expenses include but are not limited to transport, insurance, packaging, unloading and, if appropriate, assembly as well as documentation, technical testing, painting, corrosion protection, identification marking, labelling and any other condition and/or Service agreed in the Purchase Order. The prices contained in the Purchase Order do not include Value-Added-Tax ("VAT").
- 5.2. If charges, taxes, duties or other statutory fees apply in connection with delivery, Supplier shall bear those insofar as legal regulations permit.
- 5.3. Unless stipulated otherwise in the Purchase Order, prices shall be agreed as DDP designated place according INCOTERMS 2020.
- 5.4. A later price increase shall not be accepted. Price increases according to Article 4.4 of the GCP shall not be affected.

6. Subcontracting, Assignment

- 6.1. Supplier shall not sub-contract, assign or transfer, wholly or partially, the execution of the Agreement or any right or obligation under the Agreement to another party without the prior written consent of CEMTEC
- 6.2. Supplier shall provide CEMTEC with timely, advanced notice of any intended subcontracting agreements and shall request the prior written approval of CEMTEC, insofar as Supplier has not expressly notified CEMTEC during the course of the contract negotiations about such subcontracting agreements. CEMTEC's approval of any subcontracting arrangements shall not in any way limit Supplier's obligations under the Agreement. Supplier shall remain fully liable to CEMTEC for the fulfillment of the Order Scope.
- 6.3. In case of Supplier's non-compliance with the provisions of this Article 6, Supplier shall indemnify CEMTEC for all consequences arising therefrom that may result in particular, but not limited to, from quality, delivery delays, compliance with subcontracting requirements of the Client of CEMTEC, technical cross-standardization, import or customs regulation, transport, or others, as the case may be.
- 6.4. In case of an unauthorized subcontracting or assignment or any case of non-compliance with these provisions CEMTEC is entitled to immediately terminate the Agreement according Article 21.1 of the GCP.

7. Documentation

- 7.1. The documentation consists of all documents that accompany the fulfilment of the Order Scope by Supplier in written, graphic, or other form, whether in relation to production, quality control, safety regulations, transport, export, customs clearance, storage, installation, commissioning, operation, repair, maintenance, procurement of spare parts or similar.
- 7.2. The documentation shall be supplied to CEMTEC in the scope, quality and language as defined in the Purchase Order. Unless otherwise stated in the Purchase Order, the documentation shall be supplied DDP as per INCOTERMS 2020 to CEMTEC's address.
- 7.3. The delivery of all documentation components conforming to the Purchase Order, including any agreed engineering documents, is a binding part of the contractual obligation of Supplier and to that effect is relevant for indemnity.
- 7.4. CEMTEC shall have an unlimited right of use to the documentation and may, inter alia, pass the documentation received from Supplier or its sub-suppliers to its other contract partners and Clients as required in its Client Contracts.

8. Delivery

- 8.1. The agreed delivery date shall be binding.
- 8.2. Delivery is considered timely, if delivery of the Goods is made in full and free of defects on the agreed date at the agreed place of delivery. The date the delivery is considered fulfilled shall be the date of receipt and acceptance of the Goods by CEMTEC, provided that the documentation has been completely and correctly submitted as per the terms of the Purchase Order.
- 8.3. If no calendar day is specified as the delivery date, but a delivery period is agreed to by the Parties, the delivery operation shall begin when the Agreement is signed according to Article 4 of these GCP.
- 8.4. The risk of accidental loss and/or deterioration of Goods shall pass to CEMTEC at the time of delivery at the designated place.

- 8.5. CEMTEC's registered office shall be deemed the place of fulfilment for delivery and payment. If Goods are to be handed over at a different place, as agreed, this shall be deemed to be the place of fulfilment for delivery.
- 8.6. If Supplier anticipates difficulties in delivering on time, Supplier shall immediately inform CEMTEC in writing, indicating a new delivery date. If CEMTEC agrees to this new delivery date, which is otherwise only effective if given in writing, compensation claims due to late delivery and claims arising from liquidated damages shall not be affected. CEMTEC is also entitled without prior notice to Supplier to take additional or further measures at the expense and risk of Supplier in order to avert an impending delay by Supplier. Compensation claims or claims for liquidated damages by CEMTEC for delay remain unaffected thereby.
- 8.7. If the Purchase Order requires CEMTEC to fulfil certain obligations by a certain date, Supplier shall make an express and timely request for CEMTEC to do so. If Supplier fails to send such request to CEMTEC, Supplier may not rely on any delay on the part of CEMTEC. If it is impossible for Supplier to comply with the agreed delivery dates because of a delay in performance by CEMTEC despite Supplier's request, the agreed delivery dates and deadlines shall be extended by no more than the duration of the delay for which CEMTEC is responsible, and without additional costs for CEMTEC. Such new delivery dates shall be relevant for liquidated damages as per Article 9 of the GCP.
- 8.8. In all cases of an impending or actual delay of delivery, Supplier shall, irrespective of the cause, minimize the delay as much as possible.
- 8.9. In the event of any disputes between the Parties, Supplier may not withhold or discontinue its performance under the Agreement.
- 8.10. If Supplier's performance under the Agreement is late for any reason, except for force majeure or for part deliveries in the event of a delay of one agreed part delivery alone, and Supplier fails to perform within a reasonable grace period, CEMTEC may withdraw from the entire Agreement according to Article 21 of the GCP.
- 8.11. Partial, short or advance deliveries shall only be permitted with prior written approval by CEMTEC. CEMTEC is not obligated to accept the Order Scope ahead of schedule without explicit prior written approval. If accepted, CEMTEC may claim any associated costs from Supplier. Unless the Parties expressly agree otherwise, deliveries ahead of schedule shall not affect contractual payment dates in any way.

9. **Liquidated Damages for Delay**

- 9.1. If Supplier's performance is late, Supplier shall pay liquidated damages to CEMTEC. Unless stipulated otherwise in the Purchase Order, Supplier shall pay to CEMTEC liquidated damages in the amount of one percent (1%) of the total order value for each begun week of delay, but limited to a maximum of ten percent (10%) of the total order value. No compensation shall be awarded for the first seven (7) days of delay.
- 9.2. The Parties agree that such liquidated damages are reasonable in light of the anticipated or actual harm caused by such a breach.
- 9.3. Any other claims of CEMTEC shall remain unaffected.
- 9.4. Payment of liquidated damages shall not release Supplier from its delivery obligations or any other contractual obligation.
- 9.5. In the event of late delivery of documentation or part of the documentation CEMTEC may recover liquidated damages from Supplier at the above percentage rates, unless the Purchase Order stipulates otherwise.

- 9.6. CEMTEC may assert any claim due to delay of Supplier within the statutory limitation period. CEMTEC is not required to provide Supplier with prior written notification or complaint regarding the delay in order to assert its rights.

10. Force Majeure

- 10.1. In the event that either party is unable to fully perform its obligations hereunder due to events beyond its reasonable control, including but not limited to acts of God, action by any governmental authority (whether valid or invalid), fires, floods, windstorms, explosions, riots, natural disasters, wars sabotage, labor problems (including lockouts, strikes, slowdowns), inability to obtain power, material, labor, equipment, or transportation, or court injunction or order, that party shall be relieved of its obligations to the extent it is unable to perform. Timely notice of such inability to performs shall be given to the other party.
- 10.2. Upon CEMTEC's request, Supplier shall provide a certificate from the competent Chamber of Commerce confirming force majeure.
- 10.3. If circumstances of this kind prevent Supplier from adhering to the agreed delivery period, the latter shall be extended by the period for which the consequences of the force majeure event last.
- 10.4. Supplier may only claim force majeure if Supplier has indicated the precise case of force majeure to CEMTEC no later than three (3) days after the occurrence of force majeure, in writing and individually evidenced. Unless notified by the time referred herein, Supplier may claim force majeure only if a case of force majeure has provably occurred within the three-days-period and can be demonstrated as having caused the delay in delivery. Supplier shall inform CEMTEC in writing about the end of force majeure within three (3) days.
- 10.5. If the occurrence of force majeure persists for more than four (4) weeks or Supplier fails to notify CEMTEC in due time as indicated in this Article, CEMTEC may withdraw from the Agreement in full or partially.
- 10.6. CEMTEC shall not be liable to Supplier for adverse effects on the fulfilment of the Agreement due to Force Majeure.

11. Shipping

- 11.1. Shipment of the Goods is executed by Supplier at his risk and expense, unless otherwise stipulated in the Purchase Order. CEMTEC shall only bear transport insurance costs if expressly agreed to in the Purchase Order.
- 11.2. If the shipment date of the Goods is not stated in the Purchase Order, Supplier shall provide CEMTEC in writing with timely notice of the shipment date, but in any case at least ten (10) days. The invoice shall not be regarded as an indication of shipment.
- 11.3. The dispatch documents shall be furnished with CEMTEC's order and project number, both indicated on the Purchase Order. The dispatch note shall be sent to CEMTEC in duplicate immediately after dispatch and shall include the exact name, quantity, weight (gross and net), type and packaging of the Goods. If the dispatch documents required for a delivery are not issued in time or the above details are missing, the Goods shall therefore be stored at Supplier's risk and expense until the dispatch documents and/or full details arrive.
- 11.4. Supplier shall ensure that the Goods are correctly packed for the transport method used. Supplier shall comply with CEMTEC's shipping and packing instructions. Supplier shall bear any additional costs or damages due to non-respect of those instructions by Supplier.

Loading tackle shall pass into CEMTEC's ownership, unless otherwise agreed in writing by the Parties.

- 11.5. Confirmation of receipt of the Goods does not constitute a declaration by CEMTEC about the final or faultless acceptance of the delivered Goods.

12. Storage

- 12.1. If CEMTEC notifies Supplier that release for shipment cannot yet be issued, Supplier shall store the Goods in an appropriate manner for CEMTEC and ship the Goods only upon call by CEMTEC. Upon such call, Supplier shall ship the Goods without delay.
- 12.2. Appropriate storage of the Goods for up to eight (8) weeks from the proven readiness of delivery shall be made at Supplier's expense and risk.

13. Inspections and Acceptance

- 13.1. CEMTEC may carry out by itself, or by authorized third parties, production and progress checks, free of charge and at any time at Supplier's place. Supplier shall make available to CEMTEC the respective places and documents, such as but not limited to required inspection documentation, and shall keep CEMTEC informed about the actual order progress.
- 13.2. CEMTEC may carry out acceptance testing. Unless otherwise agreed to by the Parties, acceptance testing shall be carried out during normal working hours, free of charge at Supplier's place or at a place defined by CEMTEC.
- 13.3. Readiness for acceptance testing shall be given in writing by Supplier to CEMTEC timely in advance to readiness for delivery, but in any case, at least two (2) weeks beforehand. CEMTEC may, within a reasonable time, be present at acceptance testing or refuse acceptance testing.
- 13.4. Supplier shall make available, free of charge, any resources required for inspections or acceptance testing, such as but not limited to materials, skilled and unskilled manpower, suitable testing facilities or the like. Each Party shall bear the costs for its own staff.
- 13.5. The execution of an inspection or acceptance testing nor the waiver of an inspection or acceptance testing by CEMTEC shall reduce Suppliers obligations in any way.
- 13.6. A defect detected during the inspection or acceptance testing shall be rectified immediately by Supplier. Until all the defects are rectified in full, CEMTEC may refuse acceptance and may demand that testing is repeated at Supplier's expense.
- 13.7. Supplier shall bear all costs and expenses of CEMTEC in connection with a failed inspection or acceptance testing due to Supplier's reasons or in connection with Supplier's information about readiness for acceptance testing.
- 13.8. If acceptance testing cannot be executed within a reasonable period of time due to reasons attributable to Supplier, CEMTEC may either demand a price reduction or, in the event of one or more serious defects, withdraw from the Agreement while maintaining any claims for compensation.

14. Invoicing

- 14.1. Upon complete delivery or performance of the Order Scope in accordance with the Purchase Order Supplier shall send its invoice(s) to CEMTEC either electronically by email or by courier to the address of CEMTEC.
- 14.2. All invoices must conform to the formal provisions of any relevant turnover tax legislation valid at the time.
- 14.3. The Purchase Order project number and the name of the individual placing the Order of CEMTEC must also be stated on the invoice.

- 14.4. If invoicing does not comply with these procedures, CEMTEC may return the invoice and any payment and discount deadlines shall thereby be deferred until receipt of a correct invoice.

15. Payment

- 15.1. Unless stipulated otherwise in the Purchase Order, payment shall only be made upon acceptance of a complete delivery of Goods, free of defects, after receipt of the contractual documentation and an invoice that is clearly attributable to the Purchase Order. Any partial payments are only valid if stipulated in the Purchase Order.
- 15.2. Unless otherwise stipulated in the Purchase Order, CEMTEC shall make payments within fourteen (14) days with a three percent (3%) discount, or within ninety (90) days net. The due date for payment starts from the date of receipt of the invoice and fulfilment of any other conditions stipulated in the Purchase Order.
- 15.3. Any claims of Supplier arising from or in connection with the Purchase Order shall be reported in writing and sufficiently documented (in the form of documents, hourly records, work reports, invoices from sub-suppliers or the like) to CEMTEC no later than the final invoice. By submitting the final invoice on the Purchase Order, Supplier declares that any claims with respect to and in connection with the Purchase Order and the fulfilment of the same have been put forward thereby and that no further claims will be raised.
- 15.4. If CEMTEC makes a payment prior to delivery of the Goods, Supplier shall provide surety for the amount of payment. If the Purchase Order does not stipulate otherwise, the surety must be in the form of an abstract bank guarantee upon first demand from a first-class United States bank. Supplier shall bear all costs of providing surety.
- 15.5. Payment by CEMTEC shall neither constitute a confirmation of proper delivery and/or performance nor a waiver of CEMTEC's claims in regards to fulfilment or any other right under the Agreement.
- 15.6. In the event of warranty or guarantee claims or any other claim of CEMTEC against Supplier, CEMTEC may withhold or offset payments. In such case, Supplier may not withhold outstanding payments or deliveries or to offset these.

16. Transfer of Ownership

- 16.1. Transfer of ownership to CEMTEC shall take place at the time of transfer of risk of the Goods.
- 16.2. If Supplier has retained title to the items delivered, this retention shall only apply until payment is made, insofar as CEMTEC has not already become the owner of these items by conversion, incorporation or amalgamation.
- 16.3. CEMTEC will not accept retention on an open-item basis or corporate retentions of title.
- 16.4. If allowed by law, claims arising from the resale of Goods under retention of title shall not be assigned to Supplier to cover its purchase price claim. CEMTEC is not obligated to protect Supplier's rights arising from retentions of ownership of any kind with respect of third parties.

17. Reaction Times

- 17.1. The obligation for a due fulfillment of the Purchase Order also includes Supplier's obligation to appropriately handle and reply to CEMTEC's requests in connection with the fulfillment of the Purchase Order within due time. Such reply shall be made in writing, unless otherwise agreed between the Parties.
- 17.2. CEMTEC shall recognize three categories of requests: *very urgent*, *urgent*, and *normal*.
- 17.2.1. Supplier shall reply to *very urgent* requests within one (1) Working Day.

17.2.2. Supplier shall reply to *urgent* requests within two (2) Working Days.

17.2.3. Supplier shall reply to *normal* requests within four (4) Working Days.

- 17.3. A request is considered *very urgent* or *urgent* if its reply is of such importance as to avoid a pending damage and/or has a significant impact on the Order Scope or the Client Contract.
- 17.4. If Supplier has doubts about the urgency-level of CEMTEC's request, Supplier shall immediately contact CEMTEC for clarification. In case of delay, Supplier may not argue that the urgency-level was unknown, except where CEMTEC failed to provide clarification for the urgency-level despite Supplier's prior written request.
- 17.5. If CEMTEC notifies Supplier about a defect in the Order Scope, Supplier shall immediately organize the required steps to remedy the defect and inform CEMTEC about the planned measures. Above mentioned reaction times apply accordingly.
- 17.6. If Supplier fails to comply with its obligations for timely reaction, CEMTEC may undertake the required defect remedial measures or other corrective actions, either by itself or by authorized third parties, at the cost of Supplier.
- 17.7. Until successful remedy of the defect or completed corrective action CEMTEC may withhold any payments to Supplier. The provisions about warranty and guarantee as per these GCP apply.

18. **Warranty and Guarantee**

- 18.1. Without prejudice to CEMTEC's rights under applicable law, Supplier expressly guarantees that the Goods are free from defects during the entire warranty period.
- 18.2. Supplier guarantees that the Goods and the related documents comply with the requirements of the Purchase Order, including the underlying drawings and specifications, and that tolerances and functions demanded as well as all otherwise agreed or, in the ordinary course of business assumed, attributes are met and that the design is in accordance with the current state of the art.
- 18.3. A defect exists if the Goods do not fulfil any condition agreed to by the Parties.
- 18.4. If the Purchase Order does not stipulate otherwise, the warranty period shall be at least twenty-four (24) months after successful commissioning of the Goods, and up to thirty-six (36) months after actual, complete delivery of the Goods. The warranty period shall extend by a period equal to the sum of all periods during which the Goods do not meet the requirements of the Purchase Order. Upon complete rectification of defect, the warranty period for the repaired or replaced Goods shall recommence.
- 18.5. CEMTEC shall notify Supplier of any defect within a reasonable period. Supplier waives the defense of delayed notification of defect by CEMTEC.
- 18.6. If a defect occurs CEMTEC may request either rectification (replacement or repair) or reduction of price.
- 18.7. Supplier shall carry out the rectification at its own expense without delay in due time. All costs in connection with rectification, in particular but not limited to, shipment costs, travel costs of Supplier's specialists, material costs, customs duties, dismantling or assembly costs, shall be borne by the Supplier.
- 18.8. In the event of a delay or non-execution of rectification by Supplier, CEMTEC may, after granting a reasonable grace period, either rectify the defect itself or through a third party, both at Supplier's expense. If the defect is minor (less than \$5,000) or circumstances make delays in rectification untenable, CEMTEC may, without prior notice and at Supplier's expense, remedy the defect itself or by third parties. Supplier shall fully reimburse

CEMTEC for the cost of such remedial action, even if it is higher than the cost of rectification by Supplier. CEMTEC's other rights arising from Supplier's liability under the Agreement remain unaffected.

- 18.9. If the substitution measures require tools or materials of Supplier or its sub-supplier(s), Supplier shall provide such tools or materials to CEMTEC without delay. If the substitution measures require access to industrial property rights, documentation, or other information, Supplier shall furnish CEMTEC with the required rights, documentation, and information without delay. Until full remedy of the defect, CEMTEC's obligations arising from the Agreement are suspended.
- 18.10. CEMTEC may withdraw from the Agreement in whole or in part if Supplier refuses to carry out the rectification in the way that CEMTEC requests or if Supplier fails to complete the rectification within a reasonable period of time or if rectification is not possible or not economically feasible for CEMTEC. Any other rights arising from the defectiveness of the deliveries remain unaffected.

19. Liability

- 19.1. Supplier shall be liable for all losses and damages caused by Supplier, its assistants, sub-suppliers or other third parties designated by Supplier. In particular Supplier shall indemnify CEMTEC from all losses and damages suffered by CEMTEC from third party claims on whatever legal basis that result from Supplier's breach.
- 19.2. Supplier shall be liable for any defect rectification costs and extra costs incurred by CEMTEC in connection with a delivery that does not comply with the Agreement. Supplier shall pay an administration fee of fifteen percent (15%) of the amount claimed.
- 19.3. This liability shall not absolve Supplier of its other contractual and legal obligations, such as warranty, guarantee or similar.
- 19.4. Neither an approval of Supplier's drawings and documents nor a quality control or supervision of Supplier's works by CEMTEC or any appointed company by CEMTEC shall relieve Supplier of any of its obligations under the Agreement, such as but not limited to warranty and guarantee obligations.
- 19.5. Neither Party shall bear any liability to the other for loss of production, loss of profits, loss of business or consequential losses of any kind.
- 19.6. The limitation of liability shall not apply to breach of the confidentiality obligations of this Agreement, gross negligence, willful misconduct or personal injury.

20. Spare Parts and Client Protection

- 20.1. Supplier guarantees the availability of spare parts and wear parts for the Goods for a period of ten (10) years from delivery.
- 20.2. Supplier may not directly contract with the Client or its agents on any follow-up Purchase Orders related to the Goods for a period of ten (10) years from delivery. Supplier shall not make, whether direct or indirect, any offers to the Client, without the prior consent of CEMTEC.

21. Withdrawal from Contract (Termination For Default)

- 21.1. CEMTEC may withdraw from the Agreement in full or in part without setting a deadline in the event that:
- 21.1.1. Supplier commits a serious or repeated breach of the Agreement;
- 21.1.2. Supplier commits a breach of the Agreement, and fails to remedy such breach at its own cost within a reasonable grace period;

- 21.1.3. In the event of a substantial deterioration of Supplier's financial situation or Supplier is subjected to an insolvency procedure, goes into liquidation or any similar event that has a similar effect under applicable law, and Supplier fails to provide, at CEMTEC's request, adequate security for the fulfilment of its obligations under this Agreement; or
- 21.1.4. Other essential changes are made by Supplier's enterprise.
- 21.2. CEMTEC's right of withdrawal exists irrespective of whether CEMTEC has notified Supplier in advance about a circumstance under Article 21.1. above.
- 21.3. A serious breach of the Agreement includes but is not limited to a defect in the Goods that threatens the fulfillment of the Client Contract, or such a delay of delivery that results in the maximum amount of liquidated damages being reached.
- 21.4. CEMTEC shall send written notice of withdrawal to Supplier. CEMTEC shall not forfeit the right of withdrawal if CEMTEC does not immediately after becoming aware of one of the circumstances under Article 21.1. of the GCP declare its withdrawal from the Agreement to Supplier. Upon notice of withdrawal, Supplier shall immediately discontinue any activity subject to the withdrawal, with no right to any further payment, except for the right of Supplier to obtain payment for any Goods and/or Services already delivered that are not subject to the withdrawal. Prior to payment, any claims of CEMTEC resulting from the withdrawal shall be compensated. Supplier shall carry on the execution of any part(s) of the Agreement which have not been terminated without delay.
- 21.5. Goods or Services already received but covered by the withdrawal shall be collected by Supplier at its own risk and cost, against restitution of the relevant price, if already paid by CEMTEC. Supplier shall repay any amounts received from CEMTEC for Goods or Services not yet provided plus any financing costs incurred by CEMTEC.
- 21.6. Supplier shall compensate CEMTEC for all damages incurred because of the withdrawal including, but not limited to, costs incurred to complete or have the contractual activities completed by third parties.

22. Termination for Convenience

- 22.1. CEMTEC may at any time without prior written notice to Supplier, terminate the Agreement, entirely or in part, without Supplier being at fault. Up to forty-five (45) days after effective date of the Agreement, a termination is free of charge for CEMTEC. After forty-five (45) days from effective date of the Agreement, CEMTEC shall pay Supplier the contractual price pro rata to the completed Order Scope, and refund direct operating costs related to Order Scope under progress or costs related to the cancellation of sub-contracts, all against valid proof by Supplier. Upon notice of termination, Supplier shall immediately discontinue any activity subject to termination and make every effort to keep the costs to be refunded by CEMTEC as low as possible.

23. Suspension

- 23.1. CEMTEC may request from Supplier a suspension of the further fulfillment of the Purchase Order free of charge up to three (3) months. During suspension, the rights and obligations of the Agreement are suspended. Delivery dates are postponed by the time of suspension. Any further extension of delivery times must be announced by Supplier at the earliest foreseeable moment and must be kept as short as possible.
- 23.2. If a suspension lasts for more than three (3) months, Supplier must provide CEMTEC in detail the direct costs resulting from the suspension beyond the three (3) months, excluding loss of profit or indirect cost. Supplier may only claim compensation for

comprehensively proven costs. Supplier may not claim compensation for costs which arise in the first three (3) months of suspension.

- 23.3. Upon termination of suspension by written notice of CEMTEC, Supplier shall continue the work under the Agreement without delay.

24. Industrial Property Rights and Copyright

- 24.1. To the best of Suppliers knowledge, supplier guarantees that patents, industrial designs, trademarks, trade names, copyright or other industrial property rights of third parties in the United States or in a country into which deliveries are made, shall not be infringed by its own Goods and Services. Should a claim be made against CEMTEC due to infringement of these rights by third parties, Supplier shall indemnify CEMTEC from all claims to the full extent and hold CEMTEC free and harmless without evidence of blame.
- 24.2. Plans, sketches, drawings, engineering documents and other technical documentation from CEMTEC, as well as samples, catalogues, brochures, illustrations and similar shall always remain the intellectual property of CEMTEC, shall be treated confidentially and shall not be reproduced or made accessible to third parties without CEMTEC's written approval. Supplier may use this information without CEMTEC's written approval only for the purpose of fulfilling the Order Scope.
- 24.3. Any relevant statutory provisions shall apply with regards to reproduction, forgery, or competition. The use of the Agreement for advertising purposes is not allowed.

25. Confidentiality

- 25.1. Supplier, its employees, and agents, shall maintain confidentiality in respect of all business transactions, data and other facts from CEMTEC's field of business, which it becomes aware of due to or occasionally during the collaboration, and maintain this confidentiality beyond the period of the collaboration, unless CEMTEC expressly releases Supplier from this obligation. This shall also cover secrecy in respect of the client-supplier relationship. Supplier shall bind its employees and agents to a corresponding secrecy obligation.

26. Data protection

- 26.1. CEMTEC may process personal data received as part of the business relationship with Supplier as well as other disclosed data in accordance with the applicable data protection law.
- 26.2. Supplier agrees that the data will be stored beyond the fulfillment of the Order Scope and kept for the purpose of holding information about the service offer of Supplier, for the fulfillment of legal requirements as well as for internal analysis and evaluation of the Agreement and business relationship(s) with CEMTEC. For this purpose alone, the data may be passed to affiliated companies of CEMTEC. For the sake of completeness, affiliated companies are those companies in which CEMTEC holds majority shares or has a predominant business influence on.
- 26.3. Supplier may request free of charge information on Supplier's personal data stored at CEMTEC. Supplier may correct inaccurate data, restrict, revoke, oppose and delete personal data, so long as no legal duty of retention precludes such action. A revocation under this Article has no effect on an existing contractual relationship.

27. Miscellaneous provisions

- 27.1. Samples, models and all documents issued to Supplier in connection with the execution of the Agreement, such as drawings, plans, charts etc. shall remain CEMTEC's property and shall be returned as soon as they are no longer required, and at the latest upon delivery, if not agreed otherwise between the Parties. Supplier shall not have a right of lien.

- 27.2. If the GCP or the Purchase Order require CEMTEC to grant a grace period, this requirement is fulfilled if Supplier has in fact been granted a period of grace, even if such a period was not expressly designated or communicated by CEMTEC as a grace period.
- 27.3. If individual provisions of the Agreement or of this Article are or become invalid, the effectiveness of the other provisions shall not be affected. The invalid provision shall be replaced by a valid provision that is as close as possible to the objective pursued by the Parties. All and any provisions or obligations contained in the Agreement which, by their nature or effect, are to be complied with or intend to be complied with after termination of the Agreement, shall survive and remain binding between the parties and their legal successors and authorized assignees.
- 27.4. Without prejudice to the regulations in these GCP, any further legal rights of CEMTEC shall not be affected. Insofar as the GCP allow, the statutory provisions alone shall apply. No default of CEMTEC in exercising its rights under the Purchase Order or the GCP nor any other act of CEMTEC, except an express written waiver, shall constitute a waiver of any provision of these GCP or the Purchase Order.
- 27.5. Any different, verbal or telephone agreements must be in written form to be valid.
- 28. **Applicable Law and Jurisdiction**
 - 28.1. The law of the state of North Carolina shall apply. Application of the United Nations Convention on the International Sale of Goods (“CISG”) is expressly excluded.
 - 28.2. Any claim or controversy arising out of or relating to this Agreement, or the breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association (“AAA”) in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Each party irrevocably and unconditionally agrees that such binding arbitration shall take place in Mecklenburg County in the state of North Carolina.