

Movement by Perfection

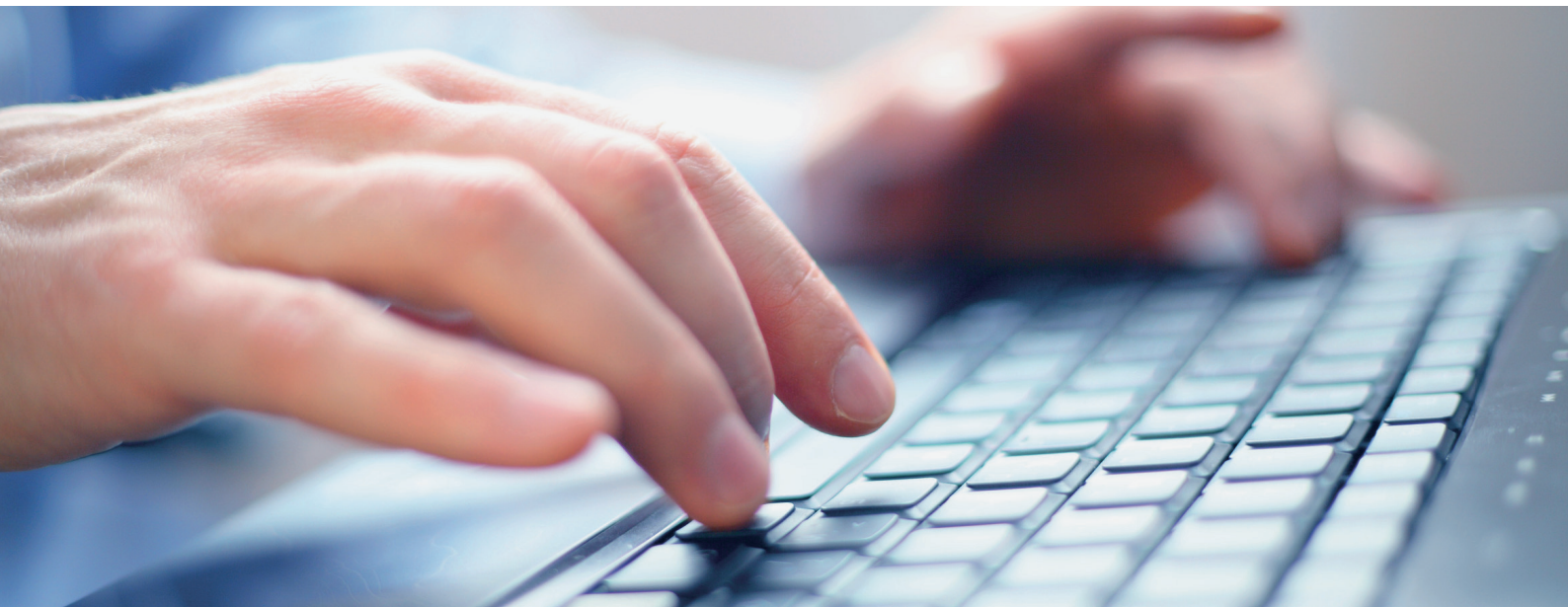


The Royal League in ventilation, control and drive technology

General Terms and Conditions of Purchase

December 2023

Please note that this is an English translation of the original Spanish version. Both language versions shall have the same legal effect. In case of any conflict, the original Spanish version shall prevail.



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General Terms and Conditions of Purchase of ZIEHL-ABEGG Ibérica S.L.

§ 1 Application of the General Terms and Conditions of Purchase

1. Only our General Terms and Conditions of Purchase will apply. ZIEHL-ABEGG (hereinafter also referred to as Buyer or Customer) will not recognize the terms and conditions of the Supplier (hereinafter also referred to as Seller or Contractor) that are contrary to or depart from our terms and conditions of purchase, unless ZIEHL-ABEGG has explicitly authorized their application in writing. The General Terms and Conditions of Purchase will also apply when delivery from the Supplier is accepted unreservedly by ZIEHL-ABEGG and it is aware of which terms and conditions of the Supplier are contrary to or deviate from our Terms and Conditions of Purchase.
2. The General Terms and Conditions of Purchase shall also apply to all future transactions with the Supplier.

§ 2 Purchase Orders

1. Purchase orders will only be valid if placed in writing by fax or email. Every order placed must be confirmed by a confirmation issued by the Supplier, except in case of an explicit agreement where this requirement is waived. In the event ZIEHL-ABEGG does not receive the confirmation within fourteen days from the date of the order, ZIEHL-ABEGG reserves the right to cancel it with no obligation.
2. ZIEHL-ABEGG will retain the property rights and copyrights of all drawings, calculations and any other documents. Such documents may not be transferred to third parties without our explicit consent. They shall be used solely for production, according to our order. Once the order is placed, they must be returned to ZIEHL-ABEGG. They must not be disclosed to third parties. The right of retention of such documents is excluded in all cases.
3. All cost estimates submitted by the Supplier and all associated activities will be free of charge for ZIEHL-ABEGG.
4. The Supplier has the obligation to maintain the confidentiality of all secret, financial or commercial information of ZIEHL-ABEGG, which will also include all documents provided by ZIEHL-ABEGG to which the Supplier has access, as well as any other information that is communi-

cated. The obligation of confidentiality will remain after the performance of this contract. The same obligation shall be imposed in writing on other sub-suppliers and subcontractors. If it becomes known to the Supplier that any item considered as confidential information has been acquired by an unauthorized third party or that a confidential document has been lost, the Supplier must notify ZIEHL-ABEGG without delay and in writing.

The Supplier also has the obligation to treat such information as confidential after the conclusion of the contract. References may only be made with our prior written consent.

5. ZIEHL-ABEGG may also request changes to the delivery item after the conclusion of the contract whenever it is reasonable to expect them from the Supplier. In the event of such changes to the contract, the consequences for both parties, particularly in relation to the increase or reduction of costs and to the delivery dates, shall be duly considered.

§ 3 Prices, Shipping, Packaging, International Transport, International Trade Control

1. The agreed prices are fixed prices and any additional claims of any kind are excluded. Whenever prices are not stipulated in the purchase order, they must be included in the confirmation of the purchase order with binding effect. In such an event, the contract shall not take effect until we have given our written consent to the prices.
2. Such prices include packaging and transport to the address specified by us or the place of use, as well as costs incurred in customs procedures. Delivery shall be made as Delivered Duty Paid (DDP), Incoterms@2010.
3. Our order number will be included on the shipping notes. ZIEHL-ABEGG will only process invoices which, as specified in our order, contain the order number in addition to any other information explicitly mentioned. The Supplier shall be responsible for the consequences of breach of this obligation unless it can prove that it was not.
4. ZIEHL-ABEGG shall only be bound, with respect to the delivery, to quantities or number of items requested by the company for a specific delivery date. Deliveries above or below the specified amount will only be allowed when previously agreed with us (usually in writing).

5. Shipment shall be made at the Supplier's risk. Therefore, the Supplier assumes the risk of damage, including accidental destruction, until delivery at the destination address or the destination office indicated by us. Regarding the place for fulfilment of the obligation of delivery, Subclause 2 of Section 12 of these General Terms and Conditions of Purchase shall apply.
6. The obligation of the Supplier to remove the packaging shall be governed by the law. The goods must be packed in such a way as to avoid damage during transportation. Packaging materials shall be used only to the extent necessary for such purpose. Only the use of environmentally friendly packaging and packing materials that will not prevent recycling will be allowed. If we are to assume packaging costs as an exception to the rule, ZIEHL-ABEGG may return such packaging with freight prepaid, as individually negotiated with the Supplier.
7. Each shipment shall include a delivery note. The delivery note must contain the following information: the total quantity of the delivery and all the details stated in the order, especially the order number, item and the correct point of unloading. The delivery of the goods must be labelled as follows: Total shipment of all units packed per delivery note; the individual packaging unit (e.g. pallet, box, container, large box, etc.) per label; the type of component parts of the unit (bag, roll, packet, etc.), labelled with the quantity and drawing number according to the technical specifications.
8. If the goods are transported across international borders, the Supplier must provide the customs invoice required to dispatch the goods until delivery. The invoice shall be issued in the English language or in the language of the destination country and must include the following information: Name and telephone numbers of Buyer and Seller contact persons who are aware of the transaction; the order number/purchase order of the Buyer; the items of the invoice of the purchase order; the published code number (with basic agreements), the number of individual components and the detailed description of the goods; the purchase price per item, in the currency applicable to the transaction; the amount; INCOTERM or Incoterms®2010 and the indicated place, as well as the country of origin and the customs tariff number for the goods. In addition, all goods and services provided by Buyer to Seller for the production of the goods (e.g. materials, tools sent etc.), and which are not included in the purchase price, must be identified on the invoice separately. Each invoice must also include the order number or other references to goods sent and list all discounts or reductions on the base price that were made when establishing the amount of the invoice.
9. In the event of there being any agreement between the

country of destination where the goods are to be delivered and the country where the Seller is located, granting preferential treatment in terms of tariff or trade rights („Trade Agreement“), the Seller shall be obliged to cooperate with the Buyer in order to establish whether the goods may be included in any special programs which are beneficial to the Buyer and shall provide the Buyer with the necessary documentation (such as EUR.1 certificate, preferential certificate of origin, FAD, Certificate of Origin of the North American Free Trade Agreement (NAFTA) or other certificates of origin), according to the corresponding preferential customs treatment program (such as EEA, Lomé Convention, EU/Mediterranean Partner Countries, GSP, EU-Mexico Free Trade Agreement, North American Free Trade Agreement, etc.) to allow the entry of goods into the country of destination, free of duty or with preferential treatment. Similarly, in the event of a trade agreement or preferential customs treatment program applicable to the scope of the purchase order and if Buyer deems it convenient at any time during its execution, Seller shall be obliged to cooperate with Buyer so that Buyer shall benefit from such prerogatives, including the value of commercial transactions for compensation arising from the purchase order, and Seller shall recognize that such benefits and preferred treatment belong exclusively to Buyer. Seller is obliged to compensate Buyer for all costs, fines, contractual penalties or charges arising due to incomplete submission of documents or due to inability of Seller to cooperate in the time established. Seller is obliged to promptly notify Buyer of any known errors in the documentation.

10. The Supplier shall comply with any applicable procedures of the Import Control System and, in particular, shall provide the customs authorities with any necessary information for the clearance of the goods in the established time, presenting the Entry Summary Declaration (ENS).

11. International trade controls:

All transactions within the scope of supply relationships shall meet the requirements of current export control laws and regulations.

Even in the case of fulfilling the obligations within the scope of business relationships or if those relationships are cancelled, the Supplier is obliged to comply with such current laws and regulations, including after cancellation of the contract.

§ 4 Export Control and Customs, Supplier Declarations, Certificates of Origin

1. The Supplier must inform us in its commercial documents of any (re-)export authorization requirement of its goods in accordance with Spanish, European and US export regulations, as well as the export and customs regulations of the



country of origin of its goods. To this end, the Supplier shall provide at least all the following information in its estimates, confirmations of purchase orders and invoices for the corresponding items:

- The export list number in accordance with the appendix to the Spanish Foreign Trade Regulations or similar export list.
- In the case of US goods, the Export Control Classification Number (ECCN) in accordance with US Export Administration Regulations (EAR).
- The commercial-political origin of its goods and components thereof, including technology and software.
- Whether the goods were transported by the USA, manufactured or stored in the USA, or made with the aid of US technology.
- The Harmonized System (HS) code for its goods.
- The details of a contact person in its company if we require clarification.

If so requested, the Supplier shall notify us in writing of any other information concerning the foreign trade of its goods and their components, and shall inform us of any change to such information without delay and in writing (before delivery of the relevant goods).

In addition, if there are any export licences, the Supplier must provide a copy of such documents to ZIEHL-ABEGG, containing all relevant information regarding delivery, including any requirements that ZIEHL-ABEGG must meet, such as, by way of example but not limited to, in cases of re-exportation. The information on requirements to be met by ZIEHL-ABEGG may be highlighted in black in the copy.

2. Supplier Declarations, Preference

An essential part of the contracts concluded in accordance with these General Terms and Conditions of Purchase is the obligation to submit long-term supplier declarations for goods with a preferential origin, according to the EC version valid at the time of delivery. If so requested, the Supplier shall also provide the certificates of origin and any other documentation/information set out in foreign trade specifications.

If the long-term supplier declarations are incorrect or do not contain sufficient information, the Supplier shall provide us, if requested, with correct, full information on the goods confirmed by the customer.

3. Should we or our customers incur any costs imposed by customs authorities due to incorrect declarations of origin or if we or our customers suffer any other financial loss as a result, and if the error was due to incorrect specification of origin presented by the Supplier, full responsibility shall be assumed by the Supplier.
4. The Supplier shall be responsible for obtaining, in time and

at its expense, any governmental export licences, authorizations, approvals and clearances required for delivery, ensuring that all goods can be used by ZIEHL-ABEGG according to the purchase order, and that all deliveries can be made in due course.

§ 5 Obligation to disclose use of conflict minerals

The Supplier undertakes to comply with the relevant regulations issued by the Securities and Exchange Commission (SEC) regarding conflict minerals. The Supplier shall learn about the compliance regulations stipulated in the Final Rule on conflict minerals at <http://www.sec.gov/rules/final.shtml> or at <http://www.sec.gov/news/press/2012/2012-163.htm>.

The Supplier shall fulfil, in due time, the reporting obligations and the measures required in relation to us.

In the event of failure to fulfil the above or if the Supplier provides incorrect information, the Supplier will indemnify us against any third party claim.

§ 6 Invoicing and Payment

1. Please send invoices together with the corresponding documents in pdf format to the following e-mail address: invoice@ziehl-abegg.es. Alternatively, they can be sent in single copy on white A4 format paper. All invoices without exception must contain the billing address in Getafe: c/ Río Odiel esquina con Río Bembézar (C.L.A.), 28906, GETAFE (Madrid). Please be advised that invoices sent by fax will not be taken into account. Please check that the invoices contain all the information required by VAT law, as well as our order number and supplier number. Incorrectly presented invoices shall not be used for setting the date of payment and will be understood as received only after being submitted in due form. In the event of early delivery, ZIEHL-ABEGG reserves the right not to make payment until the due and agreed date.
2. Payment will be made in the normal commercial way, within 90 days after the date of delivery/service and receipt of the invoice and, in all cases, within a period not exceeding those 90 days.
3. To the extent that the supply involves the use of certificates of proof of material or other documents, these are an essential part of the delivery and must be sent to us at the latest along with the invoice.
4. To the extent provided for by law, we will have the right to set-off and withhold payments.



§ 7 Delivery Dates, Delay in Delivery, Force Majeure

1. The delivery date specified in the order shall be binding.
2. The Supplier shall inform us without delay and in writing of any imponderable circumstances that make it impossible to meet the agreed delivery date and, at the same time, is to notify us of the probable duration of the delay.
3. In the event of a delay in delivery, we reserve the right to exercise the corresponding legal claims. In particular, ZIEHL-ABEGG may demand compensation in place of performance, after a reasonable period of time has passed. In addition, in the event of non-fulfilment, ZIEHL-ABEGG may terminate the contract at its discretion and, consequently, the risk of non-fulfilment by the Supplier's sub-suppliers will be assumed by the Supplier. Any additional costs incurred for express shipment required to meet delivery dates shall be borne by the Supplier.
4. In the event of delay in delivery, ZIEHL-ABEGG may apply a contractual penalty equal to 0.2% of the total net value of the order per working day of delay up to a maximum of 8% of the total net value of the order. ZIEHL-ABEGG may also apply the contractual penalty unreservedly until the final invoice is issued. Any claim for compensation due to non-fulfilment shall be deducted from the contractual penalty.
5. The Supplier shall be entitled to claim for the absence of provisions on our part or for other cooperation obligations only if, after sending us a written reminder, ZIEHL-ABEGG fails to fulfil such obligations within a reasonable period of time.
6. We shall be exempt from the obligation of fulfilment in the case of events caused by force majeure or labour disputes, while they last and to the extent that they impede such fulfilment.
ZIEHL-ABEGG is totally or partially exempt from the obligation to accept the agreed delivery/service and therefore shall have the right to terminate the contract if the delivery/service ceases to be usable due to delay caused by force majeure or labour disputes.
7. ZIEHL-ABEGG will only accept partial deliveries if it has been explicitly agreed in writing. For the case of agreed partial shipments, the remaining quantity must be listed and the date of the remaining delivery must be stated.

§ 8 Liability for Defects and Guarantee, Distributor Issue

1. The Supplier guarantees that all deliveries/services comply with the terms and conditions, legal provisions, rules and regulations of the relevant authorities, liability

insurance associations and trade associations. Should it be necessary, in individual cases, to deviate from such regulations, the Supplier must obtain the consent of ZIEHL-ABEGG in writing.

The Supplier's liability for deliveries/services is not excluded or limited by such consent or any other authorization or representation by us.

In the event the Supplier is in any doubt as to the type of performance required by ZIEHL-ABEGG, it must notify ZIEHL-ABEGG without delay and in writing.

2. The Supplier undertakes, to the extent of its financial and technical means, to use environmentally friendly products and procedures for its deliveries/services, and for any additional supplies or services rendered by third parties. The Supplier shall be responsible for the environmental compatibility of delivered goods and packaging materials and for all consequential damages arising from the negligent breach of its legal obligations for the disposal of waste. If we so request, the Supplier must issue an inspection certificate for goods delivered.
3. The Customer will not make any incoming inspection of the goods delivered. In addition, the Contractor agrees that the outgoing inspection of the goods to be performed will have the same purpose as the incoming inspection required by the Customer.

The Supplier must ensure its liability insurance accepts the change in legal provisions on liability mentioned above without prejudice to the existing coverage provided by such insurance.
4. ZIEHL-ABEGG shall assume full responsibility for any defect claim (including consequential damages caused by the defect). In all cases, ZIEHL-ABEGG shall be entitled, at its discretion, to require the Supplier to remove any defects or to deliver new goods to the place where they are used. The same shall apply in the case of contract work. ZIEHL-ABEGG reserves the right to claim compensation and, in particular, compensation in place of performance.

5. In the event that the Supplier fails fulfil its subsequent performance obligation within a reasonable period of time set by ZIEHL-ABEGG, ZIEHL-ABEGG shall have the right to adopt for itself, at the Supplier's risk and expense, any necessary measures - without prejudice to any further liability for existing defects - or may engage third parties for their performance. In addition, in the event of imminent danger or special urgency, ZIEHL-ABEGG shall have the right to repair defects at the Supplier's expense.

The time limit for submitting a claim for defects is 36



months from the time of transfer of risk. In the case of spare parts, the time limit for submitting a claim for defects is 36 months from installation or commissioning, but shall end, at the latest, 4 years after the transfer of risk. The time limit for submitting a claim for defects on a building or on items that were or are normally used for a building and have caused its defective condition is 5 years from delivery.

6. In the case of repairs or if the goods are replaced by others, the time limit for submitting a claim for defects will start from the date of subsequent performance. If their acceptance has been agreed, the time limit will start again from the date of acceptance.
7. The Contractor shall bear the costs and risks incurred for the return of defective items, as well as the costs incurred by the Customer due to their defective condition (in particular, costs for processing, transport, infrastructure, labour, personnel and materials).
8. No worsening of the position of the Customer compared to acquisition from the manufacturer (distributor issue). If the Contractor is to be classified as a distributor and not as a manufacturer, the Contractor must inform ZIEHL-ABEGG without delay. In addition, the following provisions shall apply:

The Contractor guarantees that the Customer will be in the same position regarding the warranty and other rights concerning a defective condition (material and legal defects) of the object of the contract, as if the Customer had ordered it directly from the manufacturer and the legal rights are at least applicable.

The Contractor shall waive in favour of the Customer its claims against the manufacturer(s) for the defective condition (material and legal defects) of the object of the contract. The Contractor ensures that such claims are not excluded or settled.

§ 9 Quality, Product Liability

1. The Supplier shall implement an up-to-date quality control system, appropriate to type and scope (suitable quality management system, e.g. DIN EN ISO 9000ff) and, if requested, shall provide evidence of it to ZIEHL-ABEGG. In addition, the Supplier shall enter into a quality control agreement with ZIEHL-ABEGG, as required. ZIEHL-ABEGG reserves the right to carry out on-site tests to verify the effectiveness of the quality management system.

2. If the Supplier is responsible for a product defect, it must first indemnify ZIEHL-ABEGG for any third-party claims if the cause can be attributed to its own area of management or organization and if the Supplier assumes or would assume liability regarding third parties.

Within the limits of its liability for damages in the above regard, the Supplier is also obliged to reimburse any expenses incurred by ZIEHL-ABEGG in relation to product withdrawal. ZIEHL-ABEGG shall inform the Supplier of the content and scope of such product withdrawal measures, as far as possible and reasonable, and will offer the Supplier the opportunity to express its comments in that regard. This provision shall apply without prejudice to any other legal claim.

The Supplier undertakes to maintain product liability insurance that includes appropriate coverage for the risk of product withdrawal and establishes an insured sum of at least 5 million euros for each case of injury/damage to property, as a lump sum payment, during the term of this agreement, that is, until the end of the time limit set for the corresponding defect. This provision shall apply without prejudice to further claims for compensation by ZIEHL-ABEGG. If so requested, the Supplier shall provide ZIEHL-ABEGG, without delay, written evidence confirming the conclusion and maintenance of such insurance.

3. In addition, section 8 shall apply, particularly, paragraph 3 of that section.

§ 10 Property Rights

1. The Supplier guarantees that all deliveries are free of third-party property rights and, in particular, that delivery and use of the delivery item does not infringe patents, licences or other proprietary rights of third parties.
2. The Supplier shall first indemnify ZIEHL-ABEGG and our customers for third-party claims arising from any infringement of property rights and shall also bear any costs incurred thereby.
3. ZIEHL-ABEGG shall have the right to obtain permission to use the products and services from their rightful owners at the Supplier's expense.
4. The time limit for submitting a defect claim regarding ownership is 5 years from the date of transfer of risk.

§ 11 Social Responsibility and Environmental Protection, Supplier Compliance with Minimum Wage Act, Business Partner Code of Conduct

1. The Supplier is obliged to comply with the applicable national laws and regulations of the federal states. Within the framework of its corporate responsibility for the protection of human rights, the Supplier undertakes to comply with labour standards and to refuse all discrimination and child/slave labour during product manufacture and provision of services and to avoid any adverse effects on human health and the environment during the performance of its activities. The Supplier confirms that it will not tolerate any form of corruption or bribery or engage in such activity in any way. The Supplier shall avoid giving gifts to ZIEHL-ABEGG employees. Exceptionally, conventional minor gifts or invitations may be given out. This provision shall apply not only to transactions between the Supplier and ZIEHL-ABEGG but also to relationships with other business partners, the supply chain itself, intermediaries, employees, competitors and public authorities.
2. ZIEHL-ABEGG may be held liable under the appropriate section of the Minimum Wage Act if the Supplier or its sub-suppliers do not pay the minimum wage or do not pay it in full. Therefore, the Supplier must ensure that it and its sub-suppliers pay their employees at least the minimum wage, in due time and in full, in accordance with that section of the Minimum Wage Act. Should any employee hired either by the Supplier or a sub-supplier, regardless of rank, or any professional employer organization (PEO) staff, file a claim against ZIEHL-ABEGG, as guarantor, for the payment of the minimum wage, in accordance with the aforementioned section of the Minimum Wage Act, the Supplier shall release ZIEHL-ABEGG from such claims immediately. In addition, the Supplier shall be liable to ZIEHL-ABEGG for any damages incurred by ZIEHL-ABEGG due to Supplier's breach of the provisions herein agreed upon. If the Supplier culpably violates the Minimum Wage Act and/or any obligations agreed upon in this respect, ZIEHL-ABEGG shall have the right to cancel without prior notice the business relationship or the relevant individual contracts.
3. The validity of the Business Partner Code of Conduct (BPCoC) and the obligation to observe the specific requirements and obligations regulated therein are expressly referred to in a supplementary manner. The BPCoC can be found in the ZIEHL-ABEGG download area at www.ziehl-abegg.com/es/servicio. The supplier supports ZIEHL-ABEGG in the implementation of legally prescribed due diligence processes through active and truthful participation and involvement. In particular with regard to the human rights and environmental expectations of ZIEHL-ABEGG expressed in the BPCoC, the following applies - against the background of the implementation of ZIEHL-

ABEGG's obligations under the German Act on Corporate Due Diligence in Supply Chains:

- ZIEHL-ABEGG is entitled to request further information on a case-by-case basis with regard to compliance with the law and the requirements listed in the BPCoC and to verify compliance - at most once per calendar year, unless there is a justified reason for verification - after prior notice and within normal business hours at the supplier's premises itself or by external experts in accordance with the respective applicable legal provisions on site. In any inspection, the justified confidentiality interests of the supplier shall be taken into account and business processes shall not be impaired as far as possible.
- The supplier is obligated to ensure compliance with the principles and obligations regulated in the ZIEHL-ABEGG BPCoC by means of corresponding contractual requirements vis-à-vis its direct suppliers and to obligate them to pass on the obligation to comply with the principles along the supply chain relevant to ZIEHL-ABEGG to their direct suppliers for their part.
- The supplier shall design and implement suitable compliance training measures in which the managers and employees of its company are provided with an appropriate level of knowledge and understanding of the principles regulated in ZIEHL-ABEGG's BPCoC and the applicable laws.
- If the supplier violates the principles and obligations contained in the BPCoC to a considerable extent, ZIEHL-ABEGG is entitled - irrespective of any other contractual remedies - to terminate the business relationship with the supplier by extraordinary notice in accordance with the statutory provisions applicable to the contractual relationship (in particular on setting deadlines and issuing warnings). It is at the discretion of ZIEHL-ABEGG to refrain from termination and to instruct the supplier to immediately draw up and implement a concept to end or minimize the violation and to avoid future violations. During the period of implementation of the concept, ZIEHL-ABEGG is free to temporarily suspend the business relationship.



§ 12 Final Provisions

1. The Supplier may not assign the contract, in whole or in part, to third parties, even with our prior written consent. The same shall apply to any award to sub-suppliers or subcontractors by the Supplier.
2. Unless otherwise agreed, the place of delivery shall be the destination address or office indicated by us. For all other obligations of the contracting parties, the place of performance is Getafe.
3. Should the Supplier fail to meet the payments, a receiver is appointed to it or insolvency proceedings filed against its assets, ZIEHL-ABEGG may terminate the contract (extraordinarily) in whole or in part.
4. The language of the contract will be Spanish. If the contracting parties also use another language, in the event of any doubt, the wording in Spanish will take priority.
5. The place of jurisdiction shall be the place where our company has its registered office. However, ZIEHL-ABEGG may bring action in the jurisdiction of the place where the Supplier has its principal place of business.
6. Contractual relationships, and any other relationship between the contracting parties, will be governed by Spanish law. The United Nations Convention on Contracts for the International Sale of Goods is excluded.

The Royal League

