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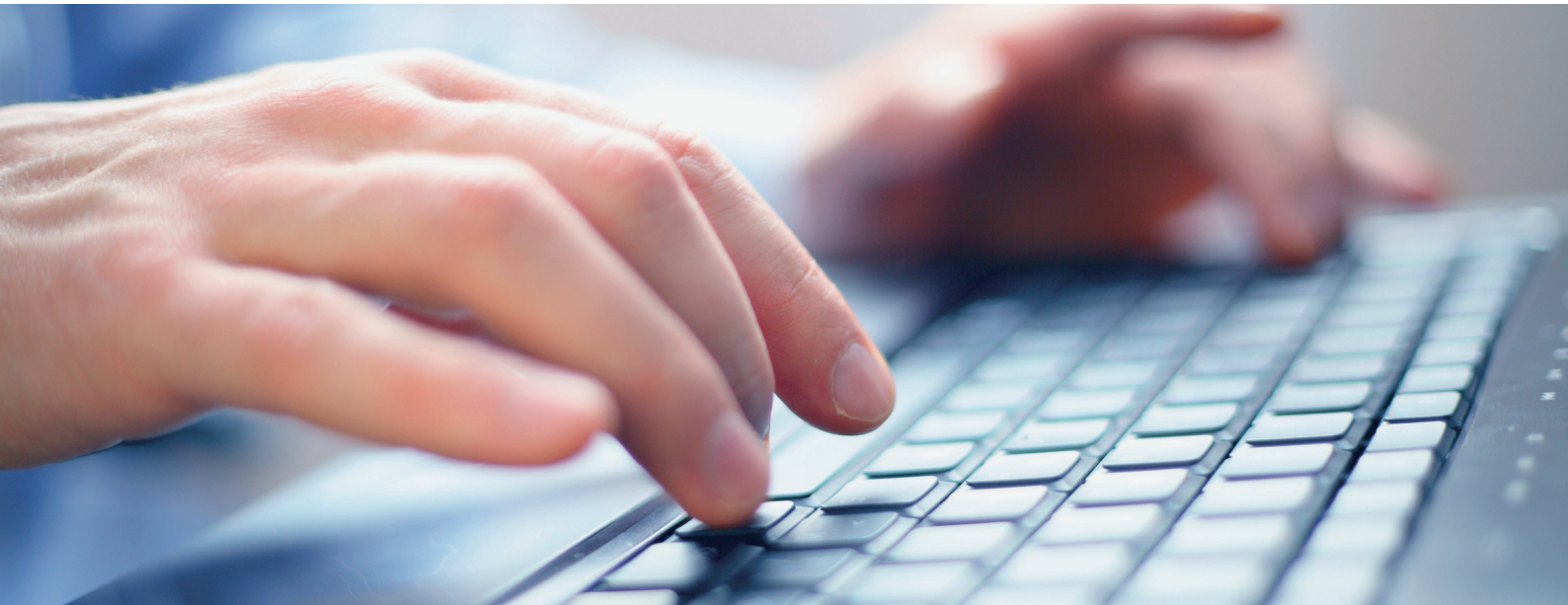


**The Royal League** in ventilation, control and drive technology

# General Terms and Conditions of Purchase

December 2023

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



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## General Terms and Conditions of Business of ZIEHL-ABEGG Finland Oy

### § 1 Applicability. Definitions.

1. These General Conditions shall apply to all contractual relations between the Seller and the Buyer. Deviations from the Conditions shall not apply unless agreed in writing. Contrary conditions of the Seller are not binding on the Buyer unless explicitly agreed upon.
2. The object or objects which the Seller shall deliver according to the contract of the parties is (are) in these conditions referred to as "the Product". The term includes software and documentation.
3. When used in these conditions the term "written" or "in writing" refers to a document signed by both parties or a letter, fax, electronic mail or other means of communication agreed by the parties.

### § 2 Product Information

1. Data in marketing material, price lists and other product information are binding only to the extent that they are expressly referred to in the contract.

### § 3 Technical Documents and Technical Information

1. All technical documentation regarding the Product or its manufacture submitted by one party to the other, prior or subsequent to the formation of the contract, shall remain the property of the submitting party.

Technical documentation received by one party shall not, without the consent of the other party, be used for any other purpose than that for which it was submitted. Except for documentation referred to in Clause 3.2, it may not without the consent of the other party be copied, reproduced, transmitted or otherwise communicated to a third party.

2. The Seller shall, no later than by delivery of the Product, free of charge provide the Buyer with one set, or the larger number that may have been agreed, of technical documentation, which is sufficiently detailed to permit the Buyer to carry out installation, commissioning, operation and maintenance (including running repairs) of all parts of the Product. The Seller shall not, however, be obliged to supply manufacturing drawings of the Product or spare parts.

The Seller may, with the Buyer's consent, fulfil these obligations by giving access to the documentation over the Internet.

### § 4 Test Before Delivery (delivery test)

1. Where a separate delivery test has been agreed, it shall, unless otherwise agreed, be carried out where the Product is manufactured. If technical requirements for the test have not been agreed, the test shall be carried out in accordance with general practice in the industry concerned in the country where the Product is manufactured.
2. The Seller shall notify the Buyer in writing of the delivery test in sufficient time to permit the Buyer to be present at the test. If the Buyer has received such notice, the test may be carried out even if the Buyer is not represented at the test.

The Seller shall record the test. The test report shall be sent to the Buyer. The report shall, unless otherwise shown by the Buyer, be considered to correctly describe the execution of the test and its results.

3. If at the delivery test the Product is found not to be in accordance with the contract, the Seller shall as soon as possible ensure that the Product complies with the contract. If so required by the Buyer a new test shall thereafter be carried out. The Buyer may not, however, require a new test if the defect was insignificant.
4. If no other division of the costs has been agreed, the Seller shall bear all costs for delivery tests carried out where the Product is manufactured. The Buyer shall, however, at such delivery tests bear all costs for his representatives, including costs for travel, board and lodging.

### § 5 Orders

1. Orders shall only be valid where placed in writing, by telefax or by e-mail. Every order placed must be confirmed by means of an order confirmation issued by the Seller except where there is an explicit agreement regarding waiver of the requirement for the confirmation of orders. Where the Buyer does not receive the above-mentioned confirmation of order within fourteen days from the date of ordering, the Buyer shall reserve the right to cancel the order without obligation.

2. The Buyer shall retain the property rights and copyright to all figures, drawings, calculations and other documents; same shall not be made accessible to third parties without the Buyer's explicit consent. They shall be solely used for production on the basis of the Buyer's order; following execution of the order they shall be automatically returned to the Buyer. They shall be kept secret from third parties. Any right of retention to such documentation shall be excluded in all cases.
3. All quotations submitted by the Seller as well as all associated activities shall be free of charge for the Buyer.
4. The Seller shall be obliged to maintain secrecy as regards all business and trade secrets of the Buyer, whereby this shall also include all documents made available to the Seller by the Buyer, in addition to other information forming the subject of communication. The obligation of secrecy shall also apply following performance of the present contract. A corresponding obligation shall be imposed in writing on any subsuppliers and subcontractors of the Seller. Should the Seller establish that an item of confidential information has been acquired by an unauthorised third party or that a confidential document has been mislaid, the Seller shall notify the Buyer in writing at once. The Seller shall be lastly obliged to likewise treat as confidential conclusion of the contract itself unless the Buyer gives a prior written consent to this.
5. The Buyer shall also be at liberty to request changes to the subject of delivery following conclusion of the contract where this can be reasonably expected of the Seller. In the event of such amendment to the contract due consideration must be given to the consequences for both parties, in particular as regards additional or reduced costs as well as the delivery dates.

## **§ 6 Trade term. Packaging.**

1. The delivery of the Products shall be "Delivered Duty Paid (DDP)" according to the INCOTERMS in force at the formation of the contract.
2. The Buyer shall only be obliged to take delivery of the quantities or piece numbers ordered by the company for a specific time of delivery. Deliveries which exceed or fall short of the specified quantity shall only be permitted where previously agreed with the Buyer in writing.
3. Shipment shall take place at the Seller's risk. The risk of any deterioration, including accidental perishing, shall thus remain with the Seller until delivery to the forwarding address or forwarding office desired by the Buyer. Clause

17.2 of these General Terms and Conditions of Purchase apply with the regard to the place of fulfilment.

4. The Seller's obligation to take back packaging shall be governed by the statutory provisions. Goods must be packaged in such a manner as to avoid any damage in transit. Packaging materials shall only be used to the extent that same are necessary to achieve this purpose. It shall only be permitted to make use of environmentally sustainable packaging and filling materials which are recyclable. Where the Buyer is separately charged for packaging by way of exception, the Buyer shall be entitled to return said packagings carriage paid against reimbursement forming the subject of individual negotiation with the Seller.
5. A delivery note and a possible goods tag must be included with every shipment.

## **§ 7 International Transport. International Trade Control.**

1. Where goods are transported beyond the Seller's state, the Seller shall be obliged to provide the customs invoice necessary for custom clearance already at delivery. The invoice shall be issued in English or the language of the destination country and must include the following data: name and telephone numbers of the Buyer's and the Seller's contact persons who are familiar with the transaction; the Buyer's order/purchase order number, the Buyer's invoice items of the purchase order, release code number (with skeleton agreements), individual component numbers and detailed description of goods; purchase price per item stated in the currency applicable to the transaction; quantity; INCOTERM or Incoterms@2010 and designated location, in addition to the country of origin and customs tariff number of the goods. Moreover, all goods and services provided by the Buyer to the Seller for production of the goods which are not included in the purchase price, must be identified separately on the invoice (e.g. consigned materials, tools, etc.) Every invoice must also include the relevant order number or other references to consigned goods and list all discounts or reductions offered on the basic price which were taken into consideration when determining the invoice value.
2. All transactions within the scope of the delivery relations must always meet the requirements of the respectively valid export control laws and directives. The Seller is obliged to meet the requirements of the respective valid export control laws and directives even after cancellation and beyond if the obligations within the scope of the business relations are fulfilled or cancelled in another way.



## § 8 Time for Delivery. Delay.

1. The delivery date specified in the order shall be binding.
2. If the Seller finds that he will not be able to deliver the Product at the agreed time or if delay on his part seems likely, he shall without undue delay notify the Buyer thereof in writing, stating the reason for the delay and if possible the time when delivery can be expected. If the Seller fails to give such notice, he shall, regardless of the provisions of Clauses 8.3 and 8.4, reimburse the Buyer for any additional expenses, which the latter incurs and which he would have avoided, had he received notice in time.
3. If the Seller fails to deliver the Product on time, the Buyer is entitled to liquidated damages from the date on which delivery should have taken place.

The liquidated damages shall be payable at a rate of one per cent of the agreed price for each commenced week of delay. If the delay concerns only a part of the Product, the liquidated damages shall be calculated on the part of the price which is properly attributable to the part of the Product which cannot be taken in use due to the delay.

The liquidated damages shall not exceed ten per cent of that part of the price on which it is calculated.

The liquidated damages become due at the Buyer's written demand but not before the complete Product has been delivered or the contract is terminated under Clause 8.4.

4. If the delay is such that the Buyer has become entitled to maximum liquidated damages under Clause 8.3, and the Product is still not delivered, the Buyer may in writing demand delivery within a final reasonable period which shall not be less than one week.

If the Seller fails to deliver within such final period and this is not due to any circumstance for which the Buyer is responsible, the Buyer may, by written notice to the Seller, terminate the contract in respect of that part of the Product which cannot be taken in use due to the delay.

In case of such termination the Buyer shall also be entitled to compensation for the loss he suffers due to the Seller's delay to the extent that the loss exceeds the maximum of liquidated damages which the Buyer may claim under Clause 8.3. This compensation shall not exceed ten per cent of that part of the price which is properly attributable to the part of the Product in respect of which the contract is terminated.

The Buyer shall also have the right to terminate the contract by written notice to the Seller if it is clear that

there will be a delay, which under Clause 8.3 would entitle the Buyer to maximum liquidated damages. In case of termination on this ground the Buyer shall be entitled to both maximum liquidated damages and compensation under the third paragraph of this Clause.

5. The Buyer shall only accept partial delivery following explicit written agreement to this effect. In case of agreed partial shipments, the remaining quantity must be listed and the delivery date for the remaining delivery specified.

## § 9 Prices. Invoicing. Payment.

1. The agreed prices are fixed prices and shall exclude additional claims of whatever nature. Where prices are not specified in the purchase order, they shall be stated in the order confirmation with binding effect. In this case the contract shall not come into being until the Buyer has given its written consent to the prices.
2. Said prices shall include the costs of packaging and transport to the forwarding address specified by the Buyer or the place of use as well as costs incurred for customs and clearing formalities.
3. The Buyer's order number shall be stated on advices of shipment, bills of lading, invoices and all correspondence between the parties. The Buyer shall only be obligated to process invoices where – as specified in the Buyer's order – the order number shown therein is indicated in addition to any other information explicitly mentioned. The Seller shall be accountable for all consequences ensuing from failure to comply with this obligation unless it is able to prove that it was not responsible in this regard.
4. Unless otherwise agreed payment shall be made against invoice 60 days after the date of the invoice.

Payment shall be made either within 14 calendar days with 3 % discount or up to 90 days net, calculated according to delivery/service and receipt of invoice.

5. Insofar as certificates of material tests or other documents are agreed for the scope of supply, these are an essential part of the delivery and must be sent to the Buyer together with the invoice at the latest.
6. The Buyer shall hold a right of set-off and retention to the extent as provided by the statutory provisions.
7. The Seller shall send its invoices in paperless form with the appropriate documents in pdf format after delivery to the following e-mail address: [invoice@ziehl-abegg.fi](mailto:invoice@ziehl-abegg.fi)

Alternatively, the invoices should be sent to the Buyer in single copy on white paper in DIN A4 format. All invoices must be made out without exception to the following address: Ziehl-Abegg Finland Oy, Olarinluoma 11, 02200 Espoo.

The Buyer shall not process invoices sent by fax.

The Seller must ensure that the invoices contain all the information required by § 209 e of the Finnish Value Added Tax Act as well as the Buyer's order and supplier number.

Invoices not submitted in due form shall not establish a due date for payment and shall only be deemed to have been received by the Buyer once submitted in the proper form. The Buyer reserves the right in the event of premature delivery to effect payment not until the due date agreed for settlement.

#### **§ 10 Export Control. Supplier Declarations. Certificates of Origin.**

1. The Seller is obliged to inform the Buyer of any approval obligations for (re-)exports of the goods in accordance with any applicable export and customers regulations as well as the export and customs regulations of the country of origin of the goods in its business documents.

Upon the Buyer's demand, the Seller shall be obliged to notify the Buyer in writing of all foreign trade data of the goods and their components and to inform the Buyer immediately in writing (before delivery of goods affected accordingly by this) about all changes to the data.

Further, in case of the existence of any export license, the Seller shall provide a copy of that document the Buyer, showing all relevant information relating to the delivery, including any provisos, the Buyer has to comply with, e.g., but not limited to cases of re-exports. Any information or provisos which are compliance obligations of the Buyer, may be blackened in that copy.

2. An essential part of the contracts ensuing from these Terms and Conditions of Purchase is the Seller's obligation to submit long-term delivery declarations for goods with a preferential origin property in accordance with the EC version valid at the time of delivery. The Seller shall also provide certificates of origin as well as any further documents/data according to foreign trade specifications upon the Buyer's demand.

If the long-term delivery declarations turn out to be insufficiently informative or incorrect, the Seller shall be obliged to provide the Buyer with error-free, complete and customer-confirmed information sheets about the origin of the goods upon demand.

3. If the Buyer or its customers are charged by a customs authority due to own faulty declarations of origin or if the Buyer or its customers suffer any other financial disadvantages as a result and the error is due to an incorrect specification of origin of the Seller, the Seller will be fully liable.
4. The Seller shall be responsible for obtaining in time, at its own cost, all necessary governmental export licenses, authorizations, approvals and clearances, required for the delivery to make sure that all goods to be delivered can be used by the Buyer in accordance with the purchase order and that all deliverables can be made in due time.

#### **§ 11 Liability for Defects. Guarantee. Dealer Issues.**

1. The Seller guarantees that all deliveries/performances conform with the state-of-the-art, the pertinent statutory provisions and rules and regulations of authorities, liability insurance associations and trade associations. If deviations from these regulations are necessary in individual cases, the Seller must obtain written consent from the Buyer. The responsibility of the Seller for the deliveries/performances shall neither be excluded nor limited by this consent nor by any other approvals or other declarations on the Buyer's part. Where the Seller has reservations about the type of execution required by the Buyer, the Seller shall immediately notify the Buyer in writing.
2. The Seller undertakes to make use within its financial and technical means of environmentally friendly products and procedures for its products/services as well as for supplies or additional services rendered by third parties. The Seller shall be liable for the environmental compatibility of the delivered products and packaging materials and for all consequential damage resulting from culpable failure to comply with its statutory obligations of disposal. The Seller shall issue a certificate of inspection for the delivered goods at the Buyer's request.
3. The Buyer shall not be liable to perform an incoming inspection of the delivered goods. The Seller must carry out an inspection of outgoing goods.

The Seller shall ensure that its public liability insurance accepts the aforementioned without impairing the existing cover offered by its public liability insurance. The Seller shall at the Buyer's request immediately furnish certification to this effect from its insurers.

4. The Buyer is entitled to make claims based on defects to their full extent (including consequential damage from defect). At all events the Buyer shall be entitled at its discretion to request the elimination of defects by the Seller or the delivery of a new item including to or at the



place at which the product is used. This shall also apply in the case of contract work. The Buyer shall explicitly reserve the right to claim compensation, in particular to compensation in lieu of performance.

5. Where the Seller fails to satisfy its obligation of subsequent fulfilment, the Buyer may indicate by which time they must be completed at the latest. If the Seller fails to fulfil his obligations within that time limit, the Buyer may at his option perform the necessary measures itself at the expense and risk of the Seller without prejudice to further liability for defects in existence. The Buyer may also arrange for their performance by third parties. The Buyer shall additionally be entitled to itself eliminate defects at the Seller's expense in case of imminent danger or special urgency.

The limitation period for claims in respect of material defects shall be 36 months, calculated from the transfer of risk. In the case of spare parts the limitation period for claims in respect of material defects shall be 36 months from installation or commissioning, but shall come to an end at the latest 4 years from the transfer of risk. Claims due to defects on a building or items which were or are usually used for a building and have caused its defectiveness, have a limitation period of 5 years after delivery.

6. For improved parts or for replacement delivery the limitation period for claims in respect of material defects shall begin after subsequent fulfilment of the Seller. If acceptance has been agreed, the limitation period shall begin again from successful acceptance.
7. The Seller shall assume the costs and risk involved in the return of defective items, as well as those costs incurred by the Buyer due to their defectiveness (in particular costs of processing, transport, infrastructure, labour, staffing and materials).
8. If the Seller is to be qualified as a dealer and not as a manufacturer, the Seller must inform the Buyer of this immediately.

The Seller shall guarantee that the Buyer will be put in a position with respect to the warranty and other rights based on a defectiveness of the object of contract as if the Buyer had ordered directly from the manufacturer.

The Seller shall surrender its claims against the manufacturer(s) based on a defectiveness of the object of contract to the Buyer. The Seller assures that these claims are not fulfilled or excluded.

## § 12 Grounds for Relief (Force Majeure)

1. The following circumstances shall constitute grounds for relief if they impede the performance of the contract or makes performance unreasonably onerous: industrial disputes and any other circumstance beyond the control of the parties, such as fire, natural disasters and extreme natural events, war, mobilization or military call up of a comparable scope, requisition, seizure, trade and currency restrictions, insurrection and civil commotion, shortage of transport, general shortage of materials, restrictions in the supply of power and defects or delays in deliveries by sub-contractors caused by any such circumstance as referred to in this Clause.

The above described circumstances shall constitute grounds for relief only if their effect on the performance of the contract could not be foreseen at the formation of the contract.

2. The party wishing to claim relief under Clause 12.1 shall without delay notify the other party in writing on the intervention and on the cessation of such circumstance.
3. Notwithstanding other provisions of these General Conditions, either party shall be entitled to terminate the contract by notice in writing to the other party, if performance of the contract is delayed more than six months by reason of any grounds for relief as described in Clause 12.1.

## § 13 Quality. Product Liability.

1. The Seller shall implement state-of-the-art quality assurance appropriate in type and scope (suitable quality management system e.g. DIN EN ISO 9000 ff) and provide the Buyer with proof of this on demand. The Seller shall additionally conclude a quality assurance agreement with the Buyer as required. The Buyer shall reserve the right to perform on-site testing to check the efficacy of said quality management system.
2. Where the Seller is responsible for a product defect, it shall be obliged upon first demand to indemnify the Buyer in respect of third-party claims for compensation where the cause can be attributed to its own sphere of management or organisation and where the Seller bears or would bear liability vis-à-vis third parties.

Within the scope of his liability for damages in the aforementioned sense, the Seller is also obliged to reimburse any expenses incurred by the Buyer from or in connection with a recall campaign. The Buyer shall inform the Seller of the content and extent of such recall measures as far as this is possible. All other statutory claims shall remain unaffected thereby.

The Seller shall undertake to maintain product liability insurance including an appropriate level of cover for the risk of recall, offering however an insured sum of at least €5 million for each instance of personal injury/damage to property on a lump-sum basis for the term of the present agreement, i.e. until expiry of the limitation period for the relevant defect. Further claims to compensation of the Buyer shall remain unaffected thereby. The Seller shall on request immediately provide the Buyer with written evidence documenting the conclusion and maintenance of such insurance.

3. In addition, clause 11, especially clause 11.3, shall apply.

## § 14 Property Rights

1. The Seller guarantees that all its deliveries are free of third-party property rights and in particular that delivery and use of the subject of delivery does not infringe patents, licences or other property rights of third parties.
2. The Seller shall indemnify the Buyer and its customers in respect of third-party claims resulting from any infringement of property rights on first demand and shall also assume all associated costs incurred thereby.
3. The Buyer shall be entitled at the Seller's expense to obtain permission for use of the respective delivery items and services from their rightful owners.
4. The limitation period for claims in respect of defects as to title shall be 5 years from the transfer of risk.

## § 15 Social Responsibility and Environmental Protection Business Partner Code of Conduct

1. The Seller shall be obliged to comply with the applicable national laws and regulations of the Seller's country.

The Seller is committed in the framework of its corporate responsibility to the protection of human rights, compliance with work standards and rejection of discrimination and slave / child labour during the manufacture of products and the rendering of services and to the avoidance of any adverse effects for humans and environment during performance of its activities.

The Seller confirms that it will not tolerate any form of corruption and bribery or to engage in same in any manner whatsoever.

The Seller is asked to avoid making gifts to staff employed by the Buyer. Conventional presents or invitations of minor value shall constitute an exception to this rule.

This shall not only apply to transactions between the Seller and the Buyer, but also to other business partners (own supply chain, intermediaries, staff, competitors and the public authorities).

2. 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/en-fi/service](http://www.ziehl-abegg.com/en-fi/service). 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 .

## **§ 16 Disputes. Applicable Law.**

1. Disputes arising out of or in connection with the contract shall not be brought before the court, but shall be finally settled by arbitration in accordance with the law on arbitration applicable in the Buyer's country. All disputes arising out of the contract shall be judged according to the law of Finland 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.

## **§ 17 Miscellaneous**

1. The Seller shall not be entitled without the Buyer's prior written consent to assign the contract either partially or in its entirety to third parties. This shall also apply to any awards to subcontractors or subsuppliers intended by the Seller.
2. Unless otherwise agreed, the place of fulfilment for the delivery obligation shall be the forwarding address or forwarding office desired by the Buyer. For all other obligations of both parties the place of fulfilment is the Buyer's premises.
3. Where the Seller ceases payments, a temporary trustee in bankruptcy is appointed or insolvency proceedings are instituted against the Seller, the Buyer shall be entitled to withdraw from the contract either partially or in its entirety.
4. The language of the contract shall be Finnish. If the contract parties use another language in addition the Finnish wording shall have priority.

# The Royal League

