

## **General Purchasing Conditions of Krannich Asia Pte. Ltd.**

### **§ 1 Scope**

(1) Insofar as no other arrangement is expressly agreed in writing, these General Purchasing Conditions (GPC) apply to all contracts concluded by us with a supplier and also apply to all pre-contractual obligations.

Unless we agree in writing by a person authorized to sign on our behalf, other conditions shall not become part of the contract. Our silence with regard to contrary conditions, including in order acceptance confirmations, shall not be regarded as our acceptance of contrary conditions.

(2) Our GPC shall apply to all contracts with suppliers, and the version applicable to each contract shall be the one which can be downloaded at <http://de.krannich-solar.com/en/meta/gpc.html> upon commissioning of the relevant supplier, unless another agreement has been concluded in writing between the contractual partners. On request, the supplier shall also be provided free of charge with the relevant version of the general purchasing conditions in a printed form.

(3) All agreements concluded between us and the supplier in connection with the contracts are recorded in the contracts, these GPC and our offers, which form the entire agreement for each transaction between us and the supplier.

(4) We reserve the right to demand the conclusion of a quality assurance agreement from the supplier. This quality assurance agreement is then a component part of these GPC.

### **§ 2 Conclusion of contract**

(1) The contents of our written orders apply to the exclusion of all other forms of communication. Orders placed verbally or verbal ancillary agreements shall only become effective when we confirm them in writing. Delivery contracts (order and acceptance), delivery requests and their amendments and any supplemental agreements are required to be written.

(2) We are no longer bound to the offer contained in our order if the supplier does not accept our order within five working days of receipt. Should the supplier be unable or unwilling to accept our order, he is obliged to inform us of this without any undue delay/instantaneously.

(3) The supplier shall accept and confirm our orders with a written order confirmation. The order confirmation must show the price, discount, order number, binding delivery date and any further order details. Deviations from our order, in particular from the prices, discounts and delivery deadlines detailed in our order, constitute a counter-offer and shall only become part of the contract if accepted by us in writing.

(4) Drawings, plans and other documents belonging to our order remain our property. We reserve all our intellectual property rights (including but not limited to copyrights) relating to these documents. If the supplier does not accept our orders within the period stipulated in subparagraph 2, these documents are to be returned to us immediately.

(5) We are entitled to demand changes to the design and execution of the delivery items if these can be reasonably demanded of the supplier. The consequences in this case, especially regarding additional or reduced costs and delivery dates, shall be agreed on in an appropriate and mutually agreeable manner.

### **§ 3 Prices, payment, set-off**

(1) The price stipulated by us in the order is binding. Unless otherwise specified by us, the price shall be on a DDP (our business address or a delivery location specified by us) basis (Incoterms®2020). The supplier shall be responsible for the cost of transport and cost of insuring the goods, including the respective statutory value added tax and the cost of packaging, unless otherwise expressly agreed in writing by the parties.

(2) The supplier's offers, drafts, samples and specimens are free of charge for us, unless otherwise expressly agreed. Remuneration or compensation for visits or drafting of offers, projects, etc. shall not be granted in the absence of another agreement.

(3) Invoices shall be sent as a single copy to our business address when shipping the goods and separate from the goods shipment. Invoices must contain at least the following details: name and address of the parties, tax number, order number, supplier number, number and date of order, additional customer data, unloading locations, number and date of delivery docket, quantity of goods or services invoiced, the country of origin and bank details. Invoices not drafted in a proper manner are regarded as not having been issued.

(4) Unless otherwise specified, payment shall be due within 14 days of orderly receipt of invoice with a 3% discount or net within 45 days of orderly receipt of invoice. In case of acceptance of early deliveries, the due date of payment shall be governed by the agreed delivery date.

(5) In case of a defective delivery, we are entitled to withhold payment proportionate to the value until the delivery has been properly realised. Otherwise, payment (without reservation) neither represents the acknowledgement of correct delivery nor a waiver of the supplier's liability for defects.

(6) We are fully entitled to all legal rights of set-off and retention. Set-off entitlements may only be accorded the supplier if his counterclaims are not contested and recognized as legally valid by us. The supplier may only assign rights from this contract to a third party with our prior written agreement which shall not be unreasonably withheld. The supplier shall only be entitled to exercise a right of retention or plead the defence of non-fulfilment of contract in respect of the relevant good claimed to be defective.

### **§ 4 Time of performance, delays**

(1) All delivery dates mentioned in the order or otherwise agreed are binding. The receipt of goods at our premises is decisive when it comes to compliance with the delivery date or delivery deadline.

(2) The supplier is obliged to inform us immediately of any imminent or current non-compliance with a stipulated delivery date/delivery deadline, the reasons for the said non-compliance and the estimated duration of the delay. The onset of the delay in delivery remains unaffected by this.

(3) In case of a delay in delivery, we are entitled to avail ourselves of all and any claims (statutory or otherwise). In the event of a delay in delivery, we are entitled to demand 0.5% of the order value per full week of delay as a liquidated damages, but not more than 5% of the total order value. We expressly reserve the right to avail of further-reaching statutory claims is reserved.

### **§ 5 Packaging, shipping, partial deliveries, transfer of risk**

(1) Unless otherwise specified by us, delivery and shipping shall be on a DDP (our business address or delivery location specified by us) basis (Incoterms®2020). Risk or damage to or loss to the goods shall pass at the time the goods are delivered to our business address or a delivery location specified by us. The supplier shall bear the costs of packaging, freight and insurance. Insofar as no packaging regulation exists on our part, all deliveries shall be packed expertly and as is commercially customary by the supplier so that the packing is guaranteed to protect the delivery items until they reach the delivery address. Packaging can be returned by us free of charge. The location where the goods are handed over is also the performance location for the obligation of the supplier to take back the goods. Insofar as delivery ex works (EXW, Incoterms® 2020) is agreed in an individual case, the supplier shall select the most favourable terms of shipment for us and ensure correct declaration. The supplier is also liable in this case for any damages to the goods occurring during transportation.

(2) A single copy of a delivery docket should be enclosed with the goods which, in addition to exact designation of the scope of delivery with the order number, article number, type and quantity, contains the container number, weight and volume in cubic metres (m<sup>3</sup>). In addition, our documentation and marking regulations, which should be obtained from us, are to be observed. Should the supplier fail to do so, delays in processing are inevitable for which we assume no liability.

(3) Partial deliveries shall only be accepted following our express agreement. In case of partial deliveries, the remaining quantity shall be listed in all cases and the supplier shall deliver the remaining quantity, unless we specify otherwise.

(4) The transfer of risk shall take place at the delivery address stipulated by us.

### **§ 6 Material defects and defects of title, obligation of inspection and notification of defects, claims for defects**

(1) Unless otherwise agreed, the supplier shall guarantee that all goods delivered conform to state-of-the-art technological standards, comply with the relevant legal provisions of the delivery location and, if known to the supplier, the location where the goods/our product are to be used, insofar as this can be reasonably expected of the supplier in an individual case and conforms to the regulations and directives of official authorities, employers' liability insurance associations and trade associations. The goods must in all cases be suitable for ordinary utilisation and display a quality which is usual for items of the same type and which we can expect of this type of item. Insofar as deviations from these regulations are necessary in individual cases, the supplier must obtain the express written permission of the customer

in this respect. Where the supplier has reservations regarding the manner of execution desired by us, he shall inform us of this immediately.

(2) The supplier shall ensure that the goods are delivered free from third party rights and that no third party rights are violated by the sale and delivery of the goods. The supplier shall hold harmless, indemnify and defend us from any third party claims in this respect on our first request.

(3) Any acceptance of the goods shall only take effect after we have inspected the goods and have notified the supplier of defects as follows:

- We will notify the supplier of defects relating to the delivered goods within one week of receipt of delivery as soon as the said defects have been discovered during the inspection conducted in the proper course of business. We will indicate defects which were not detectable in an inspection of this nature within a period of one week after detection. Timely notification of defects to the supplier shall suffice to meet the deadline.
- The inspection of incoming goods entails only the examination of the goods with regard to externally visible deviations in terms of identity and the number of units and obvious externally visible transportation damage.

In this respect, the supplier shall refrain from objecting to delayed notice of defects and unreserved acceptance.

(4) Nothing in the paragraph above shall prejudice our right to perform a more extensive inspection of incoming goods.

(5) We are unconditionally entitled to all our rights and remedies.

(6) As an extension to our statutory rights, we are also entitled in the case of non-fulfilment of a contract to demand, at our discretion, rectification of a defect or delivery of an item free of defects.

Furthermore, even if a sales contract exists, we are entitled to act, in urgent cases or as part of our duty to mitigate loss, at our own discretion after consulting the supplier.

(7) The warranty period for the goods shall be 48 months from the time the goods are delivered to us (the "Warranty Period"). We shall be entitled to make claims for defects in the goods within the Warranty Period and supplier shall, at our absolute determination and at supplier's expense, rectify the defect or deliver new goods to replace the defective goods.

(8) Our written notification of defects will suspend or extend the Warranty Period where there is a stated warranty period that we have agreed to. The Warranty Period continues following completion of successful rectification of the defect. In the case of a substitute delivery of the good, the Warranty Period starts anew from the time of delivery of the substitute goods.

## **§ 7 Product liability, exemption, third party insurance coverage**

(1) In the case of third-party claims for damages against us because of a product defect for which the supplier is responsible, the supplier must hold harmless, defend and indemnify us on our first request from all third-party claims, including the necessary costs of defending ourselves against these claims, insofar as the cause is to be found in the supplier's domain and organisational area.

(2) Where we are obliged to initiate a recall campaign due to a case of damage in terms of subparagraph 1, the supplier shall be obliged to reimburse us for all costs incurred due to or in connection with the

recall campaign. Where it is possible and reasonable in terms of the time involved, we shall inform the supplier about the content and scope of the recall campaign and give him an opportunity to comment on this. We expressly reserve the right to enforce any other claims (statutory or otherwise) that we may have.

(3) The supplier is obliged to conclude and maintain product liability insurance with adequate coverage for the goods. Any further claims that we may have remain unaffected in this context. A limitation of liability is not associated with this provision.

## **§ 8 Other obligations of the supplier**

(1) The supplier shall ensure that he is in a position to supply us with the delivery items or components thereof as replacement parts on reasonable terms for a period of 10 years after each order from the supplier.

(2) The supplier shall ensure that he is aware of all data and circumstances that are relevant for the fulfilment of his contractual duties and that he is also familiar with our intended use of his deliveries. He shall guarantee that his deliveries include all information and services necessary for correct, safe and efficient use, that they are suitable for the intended use and that they conform to state-of-the-art scientific and technological standards.

(3) The supplier shall keep us informed concerning all official approvals and notification requirements necessary for the import and use of the delivery items.

(4) The supplier shall continually monitor the quality of his deliveries and services. Modifications to the delivery item require our prior consent. The supplier shall document in writing when, in what manner and by whom delivery free of defects was ensured for all products delivered to us.

(5) These records shall be retained for at least 10 years and handed over to us on demand. Upstream suppliers should be governed by corresponding obligations.

(6) Further obligations of the supplier remain unaffected.

## **§ 9 Provisions**

(1) Samples, models, tools, drawings and other documents which we provide the supplier with or which the supplier obtains for us with our financial resources are and shall remain our property. If they remain in the possession of the supplier, a bailment shall hereby be agreed.

(2) Materials or components provided by us remain our property. They may only be used in connection with the order. Processing of materials and the assembly of parts by the supplier is realised on our behalf. If our materials and components are combined, mixed or processed with other objects which do not belong to us, we thereby become joint owners of the new item based on the ratio of the value of the materials and components provided to the other processed objects at the time of combination, mixing or processing. If our item is regarded as the main item, it is considered as agreed that the supplier shall transfer joint ownership to us on a pro rata basis. The supplier shall hold our sole or joint property in safekeeping free of charge.

## **§ 10 Retention of title**

We only recognise the supplier's rights as an unpaid seller as set out in Section 39(2) of the Sale of Goods Act (Chapter 393, Singapore Statutes). Other forms of retention of title require express written agreement.

## **§ 11 Nondisclosure**

(1) If and insofar as the supplier obtains knowledge and information during the course of order processing, (including but limited to technical details), he shall pledge himself to nondisclosure of these details.

(2) The imparted knowledge and information shall only be used in connection with actual orders and therefore only made accessible to employees who are involved in order processing and who are equally obliged to nondisclosure. Third parties shall only be allowed access to the knowledge and information with our written consent. In this case, an appropriate nondisclosure agreement must be imposed on these third parties.

(3) The supplier pledges to surrender all confidential documents already transferred, regardless of whether these documents were handed over at the beginning of the cooperation or created as a consequence of processing our order. This obligation applies in particular at the termination of the cooperation. In this case, the supplier shall guarantee that the surrender of confidential documents is complete and no copies have been retained.

(4) A right of retention relating to confidential documents is explicitly excluded, regardless of the legal grounds involved.

## **§ 12 Designation as reference supplier**

We are entitled to designate the supplier as a reference supplier and, in particular, use his logo on our homepage and advertising materials free of charge in this context.

## **§ 13 Written form**

All changes and addendums to the contract are required to be in the written form to be considered effective. The contractual partners shall comply with this requirement by transmitting documents in the written form, particularly by fax or e-mail, unless other requirements exist for individual declarations. The written form requirement itself may only be revoked in writing.

## **§ 14 Applicable law**

The respective rights and obligations of the parties arising out of the sale of goods hereunder shall be governed by and construed in accordance with the laws of the Republic of Singapore. The United Nations Convention on Contracts for the International Sale of Good (CISG) does not apply to these terms and conditions.

### **§ 15 Place of performance, dispute settlement**

(1) The place of performance for all obligations from this contract is our registered business office at the time of conclusion of the contract, provided nothing else has been expressly agreed in writing.

(2) Any dispute arising out of or in connection with this contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Singapore International Arbitration Centre ("SIAC") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("SIAC Rules") for the time being in force, which rules are deemed to be incorporated by reference in this clause. The seat of the arbitration shall be Singapore. The Tribunal shall consist of one arbitrator. The language of the arbitration shall be English.

### **§ 16 Severability clause**

In the event of any provision of these GPC being or proving ineffective, or in the event of these GPC being incomplete, the validity of the other provisions shall remain unaffected by this. The contractual partners shall replace the ineffective provision with a provision which comes closest to the intent and purpose of the ineffective provision in a legally effective sense. The same applies to loopholes in the contract.

Version 01/2020