

General terms and conditions of purchase

of BFI Automation GmbH

as of April 2025



§ 1 Scope of application, form

1. These Terms and Conditions of Purchase shall apply to all business relationships with our suppliers if the suppliers are entrepreneurs (§ 14 BGB [German Civil Code]), a legal entity under public law or a special fund under public law.
2. These Terms and Conditions of Purchase shall apply in particular to contracts for the delivery of movable goods ("Goods"), irrespective of whether the Supplier manufactures the Goods itself or purchases them from upstream suppliers (Sections 433, 650 BGB). Unless otherwise agreed, these Terms and Conditions shall apply in the version valid at the time of the order or in any case in the version communicated to the Supplier in text form as a framework agreement also for similar future contracts, without us having to refer to them again in each individual case.
3. These terms and conditions apply exclusively. Deviating, conflicting or supplementary general terms and conditions of the supplier shall only become part of the contract if and insofar as we have expressly agreed to their validity. This shall apply in any case, for example even if we accept the supplier's deliveries without reservation in the knowledge of the supplier's general terms and conditions.
4. Individual agreements made with the supplier in individual cases (including collateral agreements, supplements and amendments) shall in any case take precedence over these terms and conditions. Subject to proof to the contrary, a written contract or our written confirmation shall be decisive for the content of such agreements.
5. Legally relevant declarations and notifications of the supplier in relation to the contract (e.g. setting of deadlines, reminders, withdrawal) must be made in writing, i.e. in written or text form (e.g. letter or e-mail). Statutory formal requirements and further evidence - in particular the declaring party's power of representation - remain unaffected.

§ 2 Conclusion of Contract

1. The acceptance of our orders must be confirmed in writing within 5 days of placing the order or, in particular, by dispatching the goods without reservation. Any order confirmation received later or deviating in content from the order shall be deemed a new offer and must be accepted by BFI in writing in order to be valid.
2. Call-offs for deliveries or services shall become binding after 2 weeks at the latest if the supplier has not objected to them in writing by then.

3. The transfer of the order to third parties, including the assignment of the resulting rights and claims, requires our prior written consent. In the event of non-compliance with this provision, we reserve the right to withdraw from the contract by written declaration and/or to demand compensation. § 6 of these General Terms and Conditions of Purchase shall also apply to the supplier's services.

§ 3 Delivery time and delivery delay

1. The delivery time specified by us in the order is binding. The supplier is obliged to inform us immediately if he is not likely to be able to meet agreed delivery times - for whatever reason.
2. The supplier must enclose a delivery or service note with each delivery or service, stating the supplier and order number. The supplier must enclose the corresponding test certificates with the delivery. In addition, the wording of the delivery or service note must correspond exactly to the order and the order confirmation and must contain all relevant details, in particular the date (issue and dispatch) and the contents of the delivery (all individual parts, weights, dimensions, goods number), as well as BFI's order number and order date.
3. If the supplier is in default, we may - in addition to further statutory claims - demand liquidated damages for default in the amount of 1% of the net price per completed calendar week, but not more than a total of 5% of the net price of the goods delivered late. We reserve the right to prove that a higher loss has been incurred; the supplier reserves the right to prove that no loss at all or only a significantly lower loss has been incurred.

§ 4 Third parties, delivery, transfer of risk, default of acceptance

1. The supplier who does not manufacture the goods himself may procure them from third parties, but shall then bear the procurement risk (unless otherwise agreed in individual cases, e.g. limitation to stock). The supplier who manufactures the goods himself but procures parts from third parties shall be liable for these as his vicarious agents.
2. Delivery within Germany shall be 'free domicile' (in the sense of the supplier bearing the costs and risks) to the place of delivery specified in the order. If no place of delivery is specified and nothing else has been agreed, delivery shall be made to our registered office in Heiligenhaus. The respective place of delivery is also the place of fulfilment for the delivery and any subsequent fulfilment (obligation to be performed at creditor's domicile).

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3. The risk of accidental loss and accidental deterioration of the goods shall pass to us upon handover at the place of fulfilment. If acceptance has been agreed, this shall be decisive for the transfer of risk.
4. The statutory provisions shall apply to our default of acceptance. However, the supplier must also expressly offer us its performance if a specific or determinable time has been agreed for an action or co-operation on our part (e.g. provision of material).
2. We also reserve our property rights to substances and materials (e.g. software, finished and semi-finished products) as well as to tools, templates, samples and other objects that we provide to the supplier for production.
3. If the supplier manufactures or procures special tools for the manufacture of the goods, he shall be obliged to procure for us the ownership of these tools in accordance with the following provisions:
 - a. If we agree to pay the tool costs, the supplier must issue a corresponding invoice. Upon payment of the invoice, ownership of the tool in question shall pass to us. Upon payment of the invoice, the supplier shall store the tool for us. In addition, we have the right to take physical possession of the tool at its location and to mark it as our property.
 - b. The supplier must include the tool in an existing contents insurance policy for its technical equipment.
 - c. The costs of maintenance, repair or restoration of the tools shall be borne by the supplier until the transfer of ownership to us, thereafter we shall bear them - unless the costs are due to improper handling of the tool by the supplier.

§ 5 Prices and payment terms

1. The price stated in the order is binding. All prices are inclusive of statutory value added tax, unless this is shown separately.
2. Unless otherwise agreed in individual cases, the price includes all services and ancillary services of the supplier (e.g. assembly, installation) as well as all ancillary costs (e.g. packaging, transport costs including any transport and transport liability insurance).
3. The agreed price shall be due for payment within 30 calendar days of complete delivery and performance (including any agreed acceptance) and receipt of a proper invoice. If we make payment within 14 calendar days, the supplier shall grant us a 2-3% discount on the net amount of the invoice. In the case of bank transfer, payment shall be deemed to have been made when the transfer order is issued to our bank.
4. We do not owe any interest on arrears. The statutory provisions shall apply to default of payment.
5. We shall be entitled to rights of retention and the defence of non-performance of the contract to the extent permitted by law. In the event of incomplete or defective performance, we shall be entitled to withhold the payment due in proportion to the value until proper fulfilment.
6. We shall be entitled to set off all claims to which we are entitled against the supplier against the claims which the supplier asserts against us. The offsetting of claims of the supplier against us is only permissible with undisputed or legally established claims of the supplier.
4. Any processing, mixing or combination (further processing) by the supplier of items provided to us shall be carried out on our behalf. The same shall apply in the event of further processing of the delivered goods by us, so that we shall be deemed to be the manufacturer and shall acquire ownership of the product at the latest upon further processing in accordance with the statutory provisions.
5. The transfer of ownership of the goods to us must take place unconditionally and without regard to the payment of the price. All extended, forwarded and prolonged reservations of title are excluded.

§ 7 defective delivery

1. The statutory provisions shall apply to the rights of the purchaser due to material defects and defects of title of the delivered goods, unless otherwise regulated in these terms and conditions of purchase.
2. In the event of a justified notice of defects, the purchaser shall be entitled to demand, at his discretion, rectification of the defect (removal of defects) or subsequent delivery (replacement delivery). Subsequent fulfilment of the overall performance may also be demanded if only part of the delivery is defective and acceptance of the other part is of no interest to the customer. The expenses incurred in the course of subsequent fulfilment, including additional transport or freight costs, shall be borne by the Supplier.

§ 6 Tools, confidentiality, retention of title

1. We reserve the right of ownership and copyright to illustrations, plans, drawings, calculations, execution instructions, product descriptions and other documents. Such documents shall be used exclusively for the contractual performance and shall be returned to us after completion of the contract. The documents must be kept secret from third parties, even after termination of the contract. The confidentiality obligation shall only expire if and insofar as the knowledge contained in the documents provided has become generally known

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3. If the supplier is unable to carry out the subsequent fulfilment within a reasonable period, if he does not comply with the request within the period set, if the subsequent fulfilment fails or if the setting of a deadline is dispensable, the purchaser is entitled to reduce the purchase price, to withdraw from the contract and, if the supplier is responsible for the defect and/or the defective or non-existent subsequent fulfilment, to demand compensation. This also includes the costs of any replacement procurement or the costs of rectification by a third party. Compensation shall also include all damage adequately caused by the defective item.
4. If a defect is not recognisable in advance by means of appropriate material tests and the defectiveness of the delivered goods can therefore only be determined during production, processing or installation, the supplier shall be liable, insofar as he is responsible for the defectiveness of the goods, in addition to his obligation to subsequent performance for all damages caused by the discontinuation and delay in production as well as for the futile expenses already incurred.
5. Compensation for damages shall also include damages resulting from the fact that the defective goods have led to a defective product through installation or mixing. In individual cases, the compensation for damages shall therefore also include the compensation for damages and expenses which the purchaser is obliged to pay to its customers within the framework of the statutory warranty obligation and recourse liability (§§ 478 ff. BGB).
6. If the supplier is an intermediary for the goods concerned, he cannot exonerate himself in accordance with § 280 para. 1 sentence 2 BGB if he has recognised or could have recognised the defect on the basis of the duty of inspection incumbent on him towards his supplier in accordance with § 377 HGB, but has nevertheless delivered the goods to us.
7. In all other respects, we shall have the corresponding statutory rights in the event of a material defect or defect of title; in the event of infringements of industrial property rights, we shall also have the rights specified in § 10.
8. Limitation periods:
 - a. The limitation period for our rights due to material defects of the goods is three years; if acceptance has been agreed, from the date of acceptance.
 - b. The limitation periods of three or six years shall also apply to claims arising from defects of title (whereby the statutory limitation period due to rights in rem of third parties [§ 438 (1) No. 1 BGB] shall remain unaffected); however, claims arising from defects of title shall in no case become time-barred as long as the third party can still assert its right against us - in particular in the absence of a limitation period.
 - c. The limitation periods of the law on sales including the above extensions shall apply - to the extent permitted by law - to all contractual claims for defects. Insofar as we are also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (§§ 195, 199 BGB) shall apply, unless the application of the statutory limitation periods of the law on sales leads to a longer limitation period in individual cases.

§ 8 Supplier recourse

1. We shall be entitled to our statutory rights of recourse within a supply chain (supplier recourse pursuant to Sections 445a, 445b, 478 BGB) without restriction in addition to the claims for defects. In particular, we are entitled to demand exactly the type of subsequent fulfilment (rectification or replacement delivery) from the supplier that we owe our customer in the individual case. Our statutory right of choice (§ 439 para. 1 BGB) is not restricted by this.
2. Before we assert a claim for defects asserted by our customer claim for defects (including reimbursement of expenses pursuant to §§ 445a para. 1, 439 para. 2 and 3 BGB), we shall notify the supplier and request a written statement with a brief description of the facts. If a substantiated statement is not made within a reasonable period of time and no amicable solution is reached, the claim for defects actually granted by us shall be deemed to be owed to our customer. In this case, however, the supplier shall also have the burden of proof to the contrary.
3. Our claims from supplier recourse shall also apply if the defective goods have been further processed by us or another entrepreneur, e.g. by installation in another product.

§ 9 Sustainability, legal and risk requirements for suppliers

1. The supplier is responsible for ensuring that the products supplied comply with the requirements of Regulation (EU) 2017/821. This regulates the obligations to fulfil the due diligence obligations in the supply chain for companies that import tin, tantalum, tungsten, their ores and gold from conflict and risk areas into the EU. The supplier must also comply with the requirements of Section 1502 of the US Dodd-Frank Act.
2. In addition, the supplier is obliged to check the use of so-called 'conflict minerals' (tin, gold, tantalum, tungsten) in its supply chain and to ensure that the products supplied do not contain any conflict minerals in accordance with the above-mentioned Regulation (EU) 2017/821 and Section 1502 of the Dodd-Frank Act. Measures must also be taken to fulfil the requirements for the prevention of bribery and corruption. These include the UK Bribery Act, the US Foreign Corrupt Practices Act and all US, EU and UK economic and trade sanctions.
3. In the event of a breach of the aforementioned regulations, the supplier shall indemnify and hold BFI Automation harmless from all resulting damages and claims of third parties.

§ 10 Product and producer liability

1. If the supplier is responsible for product damage, he must indemnify us against third-party claims to the extent that the cause lies within his sphere of control and organisation and he himself is liable in relation to third parties. The supplier's responsibility for its suppliers shall also apply in this respect.
2. Within the scope of his obligation to indemnify, the supplier must reimburse expenses in accordance with § 683, 670 BGB (German Civil Code) which arise from or in connection with a claim by third parties, including recall actions carried out by us. However, we shall inform the supplier of the content and scope of recall measures - as far as possible and reasonable - and give him the opportunity to comment. Further legal claims remain unaffected.
3. The supplier shall take out and maintain extended product liability insurance with a lump sum cover for personal injury, property damage and financial loss of at least EUR 5.0 million.
4. The supplier is obliged to provide evidence of this insurance cover in writing upon request. If the supplier is unable to provide proof of insurance cover within 2 weeks, we shall be entitled to take out such insurance at the supplier's expense.

§ 11 Infringements of intellectual property rights

1. The supplier shall be liable for all claims arising from the infringement of industrial property rights and applications for industrial property rights of third parties (hereinafter 'industrial property rights') in Germany, in the countries of the European Union and North America when the delivery item or services are used in accordance with the contract.
2. The supplier shall be obliged to indemnify us against all claims asserted against us by third parties for infringement of the industrial property rights and to reimburse us for all necessary expenses in connection with such claims. This shall not apply if the supplier proves that it is neither responsible for the infringement of the industrial property rights nor should have been aware of it at the time of delivery if it had exercised due commercial care.
3. Further statutory or contractual claims on our part due to defects of title of the goods shall remain unaffected.
4. The parties undertake to inform each other immediately after becoming aware of risks of infringement and alleged infringements of industrial property rights in order to counteract corresponding liability claims.

§ 12 Choice of Law, Place of Jurisdiction, Arbitration

1. These Terms and Conditions and the contractual relationship between us and the Supplier shall be governed by the law of the Federal Republic of Germany, including the UN Convention on Contracts for the International Sale of Goods (CISG).
2. The place of fulfilment for all claims arising from the legal relationship with suppliers, i.e. for all deliveries, services and payments, shall be the place where the goods are to be delivered or the service is to be rendered in accordance with the order.
3. The place of jurisdiction for all disputes arising directly or indirectly from the contractual relationship shall be the competent court at the registered office of BFI in Heiligenhaus, provided that the supplier is a registered trader or a legal entity under public law or a special fund under public law. However, BFI shall also be entitled to sue the supplier at its place of jurisdiction.

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