

# Filzfabrik Fulda GmbH & Co. KG.

## General Terms and Conditions of Purchase

Valid: 1 June 2021

### Section 1 Application and Form

1. These General Terms and Conditions of Purchase (GTCP) apply to all business relationships with our suppliers. These GTCP only apply to suppliers who are entrepreneurs (Section 14 of the German Civil Code [Bürgerliches Gesetzbuch, BGB]), legal persons under public law or special funds under public law.
2. Any goods, services and offers of our suppliers are provided on the basis of these GTCP. These GTCP are part of all contracts we conclude with our suppliers about goods or services offered by them. Even if not expressly agreed again, these GTCP also apply to any future goods, services or offers of our suppliers.
3. These GTCP apply exclusively. Differing, contrary or supplementary general terms and conditions of suppliers will only be part of the contract if and insofar as we expressly consent to their application in writing. This consent requirement applies in any case, e.g., also if we unconditionally accept a supplier's goods in knowledge of the supplier's general terms and conditions.
4. Individual agreements concluded with suppliers (including side agreements, supplements and changes) have priority over these GTCP. Conditional on proof to the contrary, such agreements must be confirmed by us in writing or through a written contract.

### Section 2 Orders

1. Our orders become binding, at the earliest, when placed in writing or confirmed. Suppliers must note obvious mistakes (e.g., spelling or mathematical errors) and incompleteness in orders, including order documents, to us for correction and completion before acceptance; otherwise, no contract will be concluded.
2. Suppliers must confirm our orders without undue delay, at the latest, within 14 days in writing or, especially, by unconditionally sending the ordered goods or performing the ordered service (acceptance). Orders not accepted by a supplier within 14 days of receipt may be withdrawn by us.

Late acceptance will be treated as a new order requiring our acceptance.

3. Suppliers assure that deliveries to us are free from third-party rights. Suppliers assure that deliveries are not used as collateral or subject to third-party title retention and may be freely disposed of by us.

### Section 3 Prices, Payment Conditions and Invoice Details

1. Prices stated in orders are binding. All prices include VAT, unless stated separately or agreed otherwise.
2. Unless agreed otherwise, prices include all of the supplier's necessary services and ancillary services (e.g., assembly, installation) and ancillary costs (e.g., proper packaging, costs of transport to the agreed delivery address, including any transport and liability insurance).
3. Unless agreed otherwise, agreed prices will be paid within 30 calendar days of the complete delivery or service performance (including any agreed acceptance) and receipt of a proper invoice. If we settle an invoice within 14 calendar days, the supplier must grant us a 4%-discount on the net invoice amount. In case of bank transfers, payment will be made in time if the bank receives our transfer order before the payment deadline expires; we are not responsible for delays by banks involved in the payment process.
4. We do not owe interest payable after a due date under Section 353 of the German Commercial Code [Handelsgesetzbuch, HGB]. Legal regulations apply in case of default.
5. We are entitled to offsetting and retention rights and to the right to suspend performance to the legally-permitted extent. We may especially suspend due payments as long as we have claims against a supplier based on incomplete or inadequate performance.
6. Suppliers are only entitled to offsetting or retention rights if their claims are legally established, uncontested or from the same contractual relationship.

7. All order confirmations, delivery documents and invoices must include our order number, article number, delivered quantity and delivery address. If one or several of these are missing and if ordinary processing by us is delayed thereby, the payment deadlines in Subsection 3 will be extended by the period of delay.

#### Section 4 Delivery Periods and Delays

1. The delivery period specified by us in the order or elsewhere in accordance with these GTCP (delivery date or period) is binding. Early deliveries are permitted with appropriate prior notice, but do not affect the transfer of risk and/or our payment deadlines. Suppliers may not otherwise provide partial deliveries without or prior written consent.
2. Suppliers must notify us in writing without undue delay if circumstances that prevent the delivery period from being met occur or become foreseeable.
3. If a supplier fails to perform an agreed service or to do so within the agreed delivery period or defaults, we will be entitled to the rights granted by law—especially concerning cancelation and damages. The following Subsection 4 will remain unaffected.
4. If a supplier defaults, we may—irrespective of any further legal claims—obtain flat-rate compensation for our default damages of 1% of the net order value per complete calendar week, though no more than 5% of the net order value in total. We may prove that we incurred greater damages. The supplier may prove that no or significantly fewer damages were incurred.

#### Section 5 Delivery, Transfer of Risk and Default of Acceptance

1. Without our prior written authorization, suppliers may not have services owed by them performed by third parties (e.g., subcontractors).
2. Deliveries are made “carriage paid” within Germany to the destination specified in the order. If no destination is specified and nothing else is agreed, deliveries must be made to our head office in Fulda, Germany. The specified destination is also the place of performance for the delivery.
3. Proper packaging required of suppliers must be adjusted to the delivery/service and intended means of transport. Environmentally-friendly packaging material must be preferred. Suppliers are responsible for any loss of and damage to goods due to defective packaging. If requested by us, suppliers must return packaging at their expense in compliance with the German Packaging Act [Verpackungsgesetz, VerpackG].
4. Unless proven otherwise, the applicable figures for quantities, weights and dimensions are determined by our incoming goods inspection.

5. Risk of accidental loss or deterioration of the goods will be transferred to us during the handover at the place of performance. If acceptance is agreed or required by law, acceptance will be required for the transfer of risk. The handover or acceptance will not be affected if we are in default of acceptance.

#### Section 6 Confidentiality and Retention of Title

1. We retain title and/or copyright to any orders we place and to any drawings, images, calculations, descriptions and other documents we provide to suppliers. Such documents must be treated strictly confidentially by suppliers and may only be used for performance of the contract with us and may not be provided to and must be protected against access by third parties. If requested by us, suppliers must fully return these documents to us when they are no longer needed by them or if negotiations do not lead to the conclusion of a contract. Copies made by suppliers must be destroyed; exceptions may only be made for storage required as part of legal storage obligations and to storage of data for ordinary backup purposes; these confidentiality obligations will continue to apply. In case of culpable violations of these obligations, we may impose on suppliers an appropriate contractual penalty determined at our discretion in consideration of the severity of and economic damage caused by the violation and which will be reviewed by the competent court in case of dispute. The exercise of further damages remains reserved. Contractual penalty payments will be offset against any damages.
2. Goods must be transferred to us unconditionally and irrespective of whether their price has been paid. If we accept a supplier's transfer offer that is conditional on payment of the purchase price, the supplier's title to the delivered goods will be transferred to us, at the latest, upon payment of the purchase price. We may resell goods via the ordinary course of business through advance assignment of the resulting claims before paying the purchase price. Any other forms of retention of title, especially extended and transferred retention of title and transfer of title lengthened for the period of further processing, are therefore excluded.

#### Section 7 Guarantee Claims

1. Our rights in case of material or legal defects of goods or other breaches of duty by suppliers are determined by law, unless regulated otherwise hereafter.
2. Commercial inspection and reporting obligations are determined by law (Sections 377 & 381 of the German Commercial Code) with the following limitation: Our inspection obligations are limited to obvious defects (e.g., transport damage, incorrect or short deliveries) detected through external reviews, including of delivery documents, during our incoming goods inspections or through sampling during our quality control. We have no inspection obligations

if acceptance is agreed. Apart from that, it depends on how necessary inspections are in our ordinary course of business in consideration of the circumstances of the case. Our reporting obligations for subsequently-discovered defects will remain unaffected. Irrespective of our inspection obligations, our (defect) reports will be submitted without undue delay and on time if sent within 7 business days of detection or, in case of obvious defects, delivery.

3. If a supplier fails to comply with remedy obligations—at our discretion, by rectifying the defect or providing a replacement delivery of defect-free goods—by an appropriate deadline set by us, we may remedy the defect ourselves and obtain compensation or corresponding advance payment from the supplier. If the supplier's remedy fails or is unreasonable for us (e.g., due to its urgency, risk to work safety or potentially disproportionate damages), no deadline will be required; we will notify the supplier about this without undue delay, if possible, in advance.
4. The guarantee period lasts 36 months after the transfer of risk; any longer guarantee periods required by law will remain unaffected. When a supplier receives our written defect report, the expiration of guarantee claims will be suspended until the supplier rejects our claims, declares to have remedied the defect or otherwise refuses further negotiations about our claims. In the event of replacement delivery or rectification, the guarantee period for replaced or remedied parts will restart, unless the supplier expressly and accurately stated to only remedy the defect by providing a replacement delivery as a gesture of goodwill to avoid disputes or maintain our business relationship.
5. Suppliers are responsible for ensuring that products they supply do not infringe on third-party rights in member states of the European Union or other countries in which they produce or have the products produced. Suppliers must hold us harmless of any third-party claims based on infringements of third-party rights by the subject of the contract, unless the suppliers prove that they are not responsible for the infringement. Furthermore, if requested by us, suppliers must provide to us without undue delay any information and documents about their service and necessary for defense against such third-party claims. Suppliers must take adequate measures, e.g., researching other's intellectual property rights, to ensure that deliveries are free from other's intellectual property rights and must provide corresponding documents and analysis material to us if requested.

#### Section 8 Product and Manufacturer's Liability

1. Suppliers are responsible for any claims exercised by third parties based on personal or material damages caused by defective products the suppliers delivered and must hold us harmless of any resulting liability. However, in case of liability based on fault, this only applies where the suppliers

are at fault. Suppliers must bear the burden of proof for any damages caused under their responsibility.

2. As part of their obligations to hold us harmless, suppliers must reimburse us for any expenses under Sections 683 & 670 of the German Civil Code and costs (including legal costs) caused by third parties exercising claims against us and recalls implemented by us, unless these costs are not necessary or appropriate overall. We will—as far as possible—inform suppliers about the subject and scope of recalls and allow suppliers to issue corresponding statements. Further legal claims will remain reserved.
3. Suppliers must maintain product and manufacturer's liability insurance with adequate coverage at their own expense. If requested, suppliers must submit to us a copy of their liability insurance policy and proof of payment of the insurance premiums. Suppliers already hereby assign to us their product and manufacturer's liability insurance claims related to deliveries to us. We hereby accept this assignment.

#### Section 9 Hazardous Substances

1. Suppliers ensure compliance with the valid legal requirements of Regulation (EC) No. 1907/2006 (REACH), especially Article 33 and Annex XVII, Regulation (EC) No. 1272/2008 (CLP), Regulation (EU) No. 2019/1021 (POP), Regulation (EU) No. 528/12 concerning the making available on the market and use of biocidal products, Directive 2002/95/EC (RoHS), the German Chemical Prohibition Regulation [Chemikalien-Verbotsverordnung, ChemVerbotsV], the German Consumer Goods Regulation [Bedarfsgegenständeverordnung, BedGgstV] and other international chemical regulations, such as Proposition 65 (California/USA) for any substances, mixtures and articles supplied to us.
2. Suppliers must also comply with the valid GADSL RSL and the Standard 100 by Oeko-Tex RSL for all articles and with the ZDHC MRSL (alternatively, the bluesign MRSL or Oeko-Tex ECO PASSPORT) for all substances/mixtures supplied to us.

#### Section 10 Export, Product Changes and Replacement Parts

1. Suppliers guarantee compliance with all applicable export control and sanctions laws and regulations. Suppliers especially assure that (i) neither they nor their affiliates, representatives and/or other third parties commissioned directly by them to supply the goods and/or perform the services for us are listed on an applicable sanctions list, (ii) they obtained any permits and licenses necessary for the fulfillment of their obligations at the place of performance and (iii) they will inform us without undue delay if their services are or will be subject to applicable export/re-export restrictions.

2. For at least 10 years after the delivery, suppliers must have replacement parts ready for products supplied to us.
3. Any changes to products that may affect their agreed quality must be reported to us in time in advance and require our prior approval.

### Section 11 Force Majeure

1. "Force majeure" means the occurrence of an event that prevents one party from fulfilling one or several of its contractual obligations if and insofar as the party affected by this hindrance proves that (i) this hindrance lies outside of its reasonable control, (ii) this hindrance could not have been reasonably foreseen when concluding the contract and (iii) the effects of this hindrance could not have been reasonably prevented or overcome.
2. Force majeure especially, but not exclusively, includes circumstances, such as natural disasters, governmental measures, decisions by authorities, embargos, sanctions, wars and other military conflicts, internal unrest, terrorist attacks, strikes, lockouts and other labor unrest (that does not affect the supplier's staff) and epidemics/pandemics. Supply difficulties and other performance disruptions of a supplier's pre-supplier are only considered force majeure if a force majeure event prevents the performance of the pre-supplier's services.
3. As of the date on which the hindrance makes service performance impossible, the party affected by force majeure will be exempt from its contractual performance and compensation obligations and from any recourse for breach of contract if the force majeure condition is reported without undue delay. If the force majeure event is not reported without undue delay, the affected party will be exempt as of the date on which the report is received by the other party.
4. The affected party must do anything in its power to mitigate and limit the impact of the force majeure event.
5. In case of a force majeure event, the parties to the contract must coordinate how to proceed further and determine whether the undelivered goods should be supplied after the force majeure event ends. Irrespective thereof, each party may cancel the affected orders if the force majeure event lasts more than 4 weeks than the agreed delivery date. Each party's right to terminate the contract for a compelling reason in case of prolonged force majeure will remain unaffected.

### Section 12 Choice of Law and Place of Jurisdiction

1. These GTCP and contractual relationship between us and suppliers are governed exclusively by the law of the Federal Republic of Germany under exclusion of international

uniform law, especially the United Nations Convention on Contracts for the International Sale of Goods.

2. The place of jurisdiction for any disputes resulting directly or indirectly from the contractual relationship based on these GTCP is Fulda, Germany. However, in any case, we may also sue at the place of performance of the service obligations under these GTCP or an individual agreement or at the general place of jurisdiction of the supplier. Overriding legal provisions, especially concerning exclusive competence, will remain unaffected.