

## Purchasing Terms and Conditions of StarragTornos Group

valid as of July 2024

### 1. General Information

- 1.1. These purchasing terms and conditions («**TCs**») shall apply exclusively to all orders placed by the StarragTornos Group AG or its affiliated companies («**StarragTornos**») for the duration of the business relationship. The general terms and conditions of the Supplier shall not become part of the contract, even if StarragTornos does not expressly object to them. Other terms of delivery shall only apply if StarragTornos has explicitly recognized these terms in writing. By accepting the order, the Supplier recognizes the exclusive validity of these TCs.
- 1.2. In these TCs, deliveries of goods and supplies as well as services are deemed to be deliveries ('**delivery**').
- 1.3. These TCs shall also apply to all future deliveries by the Supplier until revoked by StarragTornos. Agreed deviations shall only apply to those deliveries for which they have been confirmed in writing.
- 1.4. Where these TCs require communication to be in writing, proof by text, either electronically or physically, shall suffice.

### 2. Orders and Conclusion of Contract

- 2.1. Orders from StarragTornos are binding upon written submission or confirmation at the earliest. Deliveries shall only be made based on orders placed by StarragTornos. Deliveries made without a written order shall not be recognized by StarragTornos. The same applies to subsequent changes to the order.
- 2.2. Unless the order contains a different deadline for acceptance, the Supplier must confirm the order in writing within 5 working days of receipt. Any deviations from the order must be clearly labelled and shall be deemed a new offer which requires written confirmation from StarragTornos.
- 2.3. The contract is concluded with the valid acceptance of the order or the confirmation of the offer ('**contract**'). Unless otherwise agreed, the following documents shall form part of the contract in the following order:
  - Order of StarragTornos;
  - these TCs;
  - the technical specifications according to the order;
  - the general specifications and standards of StarragTornos.
- 2.4. The Supplier guarantees to be able to supply spare parts for delivered products for a period of at least 10 years after delivery. If the Supplier intends to discontinue the production of spare parts, it shall inform StarragTornos immediately and enable a final order to be placed.

### 3. Scope of Delivery and Packaging

- 3.1. The scope of delivery is determined by the order placed by StarragTornos. Partial or excess deliveries require the prior consent of StarragTornos.
- 3.2. Safety data sheets, certificates of origin, confirmations customary in the industry, storage assembly and operating instructions as well as maintenance and repair documents must be supplied free of charge.
- 3.3. StarragTornos is authorized to use any software associated with the delivery, including documentation, for the contractual use of the delivery. The Supplier shall check the software prior to delivery and installation with suitable virus protection programs customary in the market and industry.
- 3.4. The delivery must be packed in such a way that transport damage is avoided. Packaging materials shall be used to the extent necessary to achieve this purpose. Only environmentally friendly packaging materials may be used, and the Supplier must comply with all applicable laws and regulations on environmental protection and environmental compatibility.
- 3.5. The Supplier's obligation to take back the packaging shall be according to statutory provision. If, by way of exception, packaging is invoiced separately to StarragTornos, StarragTornos shall be entitled to return packaging still good condition to the Supplier against payment of 2/3 of the value resulting from the invoice, carriage paid.

### 4. Supply

- 4.1. Unless otherwise agreed in writing, delivery shall be made DDP agreed place of destination (INCOTERMS 2020).
- 4.2. Each delivery shall be notified to StarragTornos by means of a dispatch note at the latest upon execution.

4.3. Benefit, risk and title of the delivery shall pass to StarragTornos upon completion of the supply to the agreed place of destination.

## **5. Export Regulation and Compliance**

- 5.1. The Supplier is obliged to meet all requirements of the applicable national and international customs and foreign trade law and shall include all information on the order confirmation, invoice and delivery note that StarragTornos requires to comply with national and international customs and foreign trade law. The information required for this includes, in particular the export list and/or ECCN number or the ITAR classification number as well as the statistical stock number.
- 5.2. The Supplier undertakes to comply with all laws and regulations applicable to the product, including EU directives (RoHS, WEEE, REACH, Conflict of Minerals statements Regulation, Machinery Directive), in their current version and to provide StarragTornos with the corresponding manufacturer's declarations or declarations of conformity (CE/UL labelling) and associated documents. Technical work equipment must comply with the recognized rules of technology, occupational safety and accident prevention regulations and must be equipped with protective devices to prevent accidents and occupational illnesses.
- 5.3. The Supplier undertakes to comply with the laws of the applicable legal system and the StarragTornos's Compliance Code of Conduct (available at: <https://starragtornos.com/en/services/procurement/>).
- 5.4. If the Supplier culpably violates the obligations arising from this clause 5 StarragTornos shall be entitled – notwithstanding any further claims - to withdraw from the contract or to terminate the contract according to the statutory provisions.

## **6. Delivery dates and delivery delays**

- 6.1. The agreed delivery dates are binding. If a delivery date is missed, the Supplier shall be in default of delivery without the need for a separate notification. The receipt of the defect-free and complete delivery, the provision of the defect-free and complete service or, if agreed, the acceptance of the delivery or service by StarragTornos at the named place of destination shall be decisive for compliance with the agreed supply dates and periods.
- 6.2. Early delivery requires the written consent of StarragTornos and does not affect the agreed payment date.
- 6.3. If the Supplier realizes that an agreed deadline cannot be met for any reason whatsoever, it must notify StarragTornos in writing without delay, stating the reasons and the expected duration of the delay.
- 6.4. If the Supplier fails to perform on time, StarragTornos shall be entitled to charge a default penalty of 1% of the total order value per calendar week or part thereof, but no more than 10% of the total order value. StarragTornos reserves itself the right to assert the contractual penalty until the final payment. StarragTornos' right to assert claims for damages arising from delays in delivery remains unaffected.
- 6.5. After the unsuccessful expiry of a reasonable grace period set by StarragTornos, StarragTornos shall be entitled at its discretion to demand compensation instead of performance or to procure a replacement from a third party at the Supplier's expense or to declare cancellation of the contract.
- 6.6. Force majeure, such as operational disruptions, strikes, unrest, official measures and other unavoidable events, such as war or pandemics, through no fault of their own, shall release the Supplier from its performance obligations for the duration of the disruption and to the extent of its effect. The Supplier is obliged to provide the necessary information without delay within the scope of what is reasonable and to adapt its obligations to the changed circumstances in good faith.
- 6.7. StarragTornos is entitled to withdraw from the contract in whole or in part if the delivery can no longer be utilised by StarragTornos for economic reasons due to delays caused by force majeure

## **7. Prices, invoicing and payment conditions**

- 7.1. The agreed prices are fixed prices. Unless otherwise agreed, the fixed price shall include all services and ancillary services of the Supplier (e.g. assembly, installation) as well as ancillary costs (e.g. packaging, transport including insurance, customs clearance). Additional claims are excluded. If no special agreement has been made, the prices are DDP agreed place of destination (according to INCOTERMS 2020).
- 7.2. Invoices must be submitted in duplicate immediately after receipt of the goods or provision of the services and in accordance with the statutory requirements and the specifications of the order. As a minimum, the order number and other allocation features must be shown. Incorrect invoices shall not be deemed to have been received by StarragTornos until they have been corrected. Unless otherwise agreed, invoices shall be issued in Swiss Francs (CHF). Online invoices are permitted after written notification.

- 7.3. Unless otherwise agreed, payment shall be made within 60 calendar days without deduction. StarragTornos shall not be in default without a written reminder from the Supplier.
- 7.4. The payment of an invoice shall not be deemed to be a waiver of a complaint regarding the invoiced goods. In the event of defective or incomplete delivery, StarragTornos shall be entitled to withhold payment pro rata until proper fulfilment.
- 7.5. In the case of advance payments, the Supplier shall provide adequate security in the form of a bank guarantee in accordance with StarragTornos' specimen.

## **8. Warranty and claims for defects**

- 8.1. The Supplier warrants that the delivery is free of defects, conforms to the order and its specifications, is suitable for the intended use and complies with the latest recognized rules of technology and the relevant national and international legal provisions.
- 8.2. Unless longer periods apply by law or contract, the warranty period shall be two years.
- 8.3. The warranty period shall commence upon commissioning or final acceptance of the delivery by StarragTornos. If no acceptance is provided for, the period begins with the defect-free delivery to the place of destination.
- 8.4. StarragTornos' duty to inspect is limited to defects that are externally visible during the incoming goods inspection or - in the case of quantity deliveries - that are clearly visible during quality control sampling. Defects that are not externally recognizable shall be reported to the Supplier as soon as they are discovered. In all cases, StarragTornos' obligation to give notice of defects shall be deemed to have been fulfilled immediately and in good time if the notice of defects is received by the Supplier within 10 working days.
- 8.5. If the Supplier fails to fulfil its obligation of subsequent performance (rectification or replacement delivery) within the reasonable period set by StarragTornos, they shall be entitled to have the defect rectified itself at the Supplier's expense and to demand reimbursement of expenses from the Supplier. If subsequent fulfilment is unreasonable due to urgency, StarragTornos shall be entitled to these rights even without setting a grace period.
- 8.6. The limitation period for warranty claims shall be suspended upon receipt of the notification of defects by the Supplier. In the event of replacement deliveries or rectification of defects, the warranty period for the parts concerned shall begin again.

## **9. Quality Assurance, Product Liability**

- 9.1. The Supplier shall carry out quality assurance that is suitable in type and scope and corresponds to the latest state of the art and shall provide evidence of this to StarragTornos on request. If necessary for StarragTornos the Supplier shall conclude a corresponding quality assurance agreement.
- 9.2. The Supplier undertakes to ensure permanent quality assurance by means of suitable tests and inspections during the production of the delivered parts. The Supplier shall prepare documentation on the tests in accordance with DIN-ISO 9001 to 9004. StarragTornos has the right to convince itself of the manner in which the tests and inspections are carried out on site, if necessary also at subcontractors. Expenses which become necessary for the purpose of remedying defects shall be borne by the Supplier.
- 9.3. If claims are asserted against due to violation of statutory provisions, in particular safety regulations, or due to domestic or foreign product liability, the Supplier is obliged to indemnify StarragTornos and its customer against all claims insofar as these are caused by the Supplier's delivery. The indemnification shall also include the costs of a precautionary recall action. StarragTornos shall inform the Supplier as far as possible and reasonable about recall measures and give the Supplier the opportunity to comment.
- 9.4. The Supplier confirms that it has taken out appropriate insurance against all risks arising from product liability, including the risk of recall. It shall submit written proof of existing insurance coverage to StarragTornos upon first request.

## **10. Liability**

- 10.1. The Supplier shall be liable for any form of breach of contract in accordance with the statutory provisions, unless otherwise stipulated in these TCs.
- 10.2. The Supplier shall be liable within the scope of the statutory provisions for all damage to StarragTornos, its employees, its affiliated companies and customers of StarragTornos (personal injury, property damage and financial loss) culpably caused by the Supplier, its vicarious agents and employees. In case of doubt, the burden of proof that the Supplier and its employees are not at fault for the event giving rise to the damage, shall lie exclusively with the Supplier.
- 10.3. The Supplier shall be liable for all damages resulting from non-compliance with the above obligation. Furthermore, the Supplier shall immediately indemnify StarragTornos against any claims of third parties arising therefrom.

10.4. The risks arising from delivery, assembly and commissioning shall be insured by the Supplier with a sum of at least CHF 1.5 million, or, if higher, the contract value, for personal injury, property damage and financial loss. The amount of liability remains unaffected by this.

## **11. Third Party Rights**

11.1. The Supplier guarantees that all deliveries are free of any third-party intellectual property rights and, in particular, that patents, copyrights, licenses or other third-party rights are not infringed by the delivery and use of the delivery items.

11.2. The Supplier shall indemnify StarragTornos and its customers against any claims by third parties arising from any infringements of intellectual property rights and shall also bear all costs incurred by StarragTornos in this context.

11.3. StarragTornos shall be entitled to obtain authorization from the entitled party for the use of the relevant deliverables and services at the Supplier's expense. In the event of defects of title, rights of StarragTornos shall be determined in accordance with statutory provisions.

## **12. Production Equipment**

12.1. Models and tools made by the Supplier at the expense of StarragTornos shall transfer to ownership of StarragTornos after payment. They must be marked by the Supplier as the property of StarragTornos treated and stored with care and insured against disasters such as fire, water, theft, loss and other damage at the Supplier's expense. Resale of parts manufactured according to these models and tools is not permitted without the express written authorization of StarragTornos.

12.2. Drawings, plans and sketches that StarragTornos makes available to the Supplier for the production of the ordered items remain the property of StarragTornos. The Supplier undertakes to treat them with care, not to make them available to third parties, to make copies only for the purpose of executing the order, and to return all documents, including copies, after the delivery has been made. StarragTornos expressly reserves the intellectual property (copyright and other rights).

## **13. Processing Orders**

13.1. Materials and equipment provided by StarragTornos remain the property of StarragTornos. With the acceptance of such items, the risk of loss, loss or damage passes to the Supplier.

13.2. The items owned by StarragTornos must be marked as the property of StarragTornos and stored separately. The Supplier must notify StarragTornos' immediately of any imminent seizure or other impairment of StarragTornos property by a third party.

## **14. Final Provisions**

14.1. Should individual parts of these General Terms and Conditions of Purchase be legally invalid, this shall not affect the validity of the remaining provisions. Invalid or unenforceable provisions shall be deemed to have been replaced by valid or enforceable provisions that come as close as possible economically to the spirit and purpose of the invalid or unenforceable provision. The same applies to any gaps in the regulation.

14.2. Without the prior written consent of StarragTornos, the Supplier shall not be entitled to have the Contract or any substantial part of the Contract executed by third parties.

14.3. The Supplier shall not be entitled to assign its claims against StarragTornos, or to offset them against other claims without the prior written consent of StarragTornos.

## **15. Place of Performance, Applicable Law and Place of Jurisdiction**

15.1. The place of fulfilment is the place of destination designated by StarragTornos.

15.2. These TCs and any individual agreements concluded thereunder between the Supplier and StarragTornos shall be governed by Swiss law to the exclusion of conflict of law rules and the United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods (Vienna Convention on Contracts for the International Sale of Goods).

15.3. The place of jurisdiction for all disputes arising out of or in connection with these TCs shall be the competent court at StarragTornos Group AG's headquarters (Rorschacherberg). However, StarragTornos is entitled to assert its claims alternatively at the Supplier's place of jurisdiction.