

§ 1 Scope of Applicability

(1) These General Terms and Conditions of Purchase ("GTCP") apply to all purchases of goods by Hengst Filtration Private Limited (hereinafter referred to as "Buyer") from its supplier (hereinafter referred to as "Seller"), notwithstanding any conflicting, contrary, or additional terms and conditions in any quotation, invoice, or other communication from Seller. No such conflicting, contrary, or additional terms and conditions shall be deemed accepted by Buyer until and unless Buyer expressly confirms its acceptance in writing.

§ 2 Definitions

- (1) **"Buyer"** shall mean Hengst Filtration Private Limited.
- (2) **"Confidential Information"** shall mean any and all proprietary, non-public information of the disclosing Party that is disclosed verbally, in writing, on magnetic, electronic or other media, either directly or indirectly to the receiving Party in connection with this GTCP or a Purchase Order. This includes, but is not limited to (i) information and documents related to the Goods (including any images and models); (ii) all product designs, capabilities, specifications, drawings, models, documentation, components, software (in various stages of development), architectures, agreement terms, financial, business, technical and/or pricing information, business and marketing plans, actual and potential customers and suppliers, and other similar information that is proprietary to the disclosing Party, including discussions between the Parties whether prior to or after executing these GTCP.
- (3) **"Goods"** shall mean the products purchased by Buyer from Seller.
- (4) **"Party"** shall mean either Buyer or Seller individually.
- (5) **"Parties"** shall mean Buyer and Seller collectively.
- (6) **"Purchase Order"** shall mean the order issued by Buyer specifying the details of the Goods, including but not limited to quantity, specifications, price, and delivery terms.
- (7) **"Representatives"** shall mean employees, officers, directors of a Party.
- (8) **"Seller"** shall mean the person, firm, or company supplying the Goods to Buyer.

§ 3 Offers, Purchase Orders and Order Confirmations

- (1) A Purchase Order is deemed to have been placed only when the Purchase Order has been given by Buyer in writing, in particular via email or via the electronic ordering system of the Buyer. Any statements made by Buyer orally are non-binding and shall not become binding unless Buyer subsequently sends a written Purchase Order.
- (2) Purchase Orders made by Buyer for the Goods shall be binding on both Parties, upon confirmation by Seller. Unless otherwise stated in the Purchase Order, Seller shall have the obligation to accept such Purchase Order within three (3) days of receipt by Seller.
- (3) Acceptance by Seller shall be declared in writing (e.g. by order confirmation) or by delivery of the Goods to Buyer, as per the delivery date specified by Buyer.
- (4) All Purchase Orders issued by Buyer shall specify the type and quantity of Goods requested, applicable unit prices, delivery place and requested delivery dates.

§ 4 Prices and Terms of Payment; Title of the Goods

- (1) The prices for Goods shall be those set forth in the Purchase Order. All prices are exclusive of any applicable taxes.
- (2) Unless expressly stated otherwise in the Purchase Order, all prices shall be fixed and not subject to increase for any reason, including but not limited to changes in raw material costs, labour costs, or market fluctuations. Prices shall be exclusive of applicable taxes,

duties, and other charges, except where explicitly stated otherwise in the Purchase Order.

- (3) Unless expressly stated otherwise in the Purchase Order, upon delivery of the Goods, invoice shall be raised by Seller.
- (4) Unless expressly stated otherwise in the Purchase Order, payment shall be made by Buyer to Seller within sixty (60) days from the date of receipt of the invoice and delivered Goods.
- (5) In the event of a delay in delivery or other default by Seller, Buyer shall, without prejudice to any other right or remedy available to the Buyer, have the right to: (a) Withhold payment for the affected Goods until the default is resolved; (b) Set off any claims, penalties, or damages arising from Seller's default against payments due for any other Purchase Orders or obligations under this GTCP or any other Purchase Order between the Parties.
- (6) Buyer shall be entitled to withhold due payments owing to claims against Seller for incomplete or defective deliveries or services. Buyer shall have the right to terminate delivery of any Purchase Order or any remaining balance thereof due to incomplete or defective delivery by Seller by providing written notice of termination to Seller within fourteen (14) days of receipt of the Goods.
- (7) Title to the Goods delivered shall pass to Buyer immediately at the time of delivery of the Goods, regardless of payment status. Buyer shall have full rights to use, process, or resell the Goods without restriction. Any security interest claimed by Seller for unpaid invoices shall not interfere with Buyer's operations, use, or disposition of the Goods.

§ 5 Terms of Delivery and Late Delivery

- (1) The delivery dates stated in the Purchase Order are binding.
- (2) Buyer shall not be obligated to accept delivery of the Goods prior to the delivery date. Buyer shall have the right to return or store the Goods at Seller's expense and risk until the delivery date.
- (3) Unless expressly stated otherwise in the Purchase Order, all deliveries of the Goods shall be DAP (Delivered at Place) in accordance with Incoterms 2020, to Hengst Filtration Pvt. Ltd., # 47 KIADB Hi-Tech Aerospace Park, Yelahanka Taluk, Bangalore – 562149, Karnataka, which shall also be the place for fulfilment of delivery and of any subsequent rectification.
- (4) In accordance with the agreed Incoterm, Seller shall assume all risk involved until the unloading of the Goods. Buyer shall be responsible for the cost and risks associated with unloading the Goods at the delivery point.
- (5) Seller shall be obligated to undertake every measure to minimize the delay in delivery of Goods.
- (6) In the event Seller fails to deliver the Goods by the agreed delivery date, Seller shall pay liquidated damages to Buyer. The liquidated damages shall be 0,5 % of the total value of the delayed Goods as specified in the Purchase Order, for each day the delivery is delayed beyond the agreed delivery date, up to a maximum of 10 %.
- (7) Buyer's right to claim liquidated damages under clause 5.7 shall not preclude Buyer from claiming consequential damages arising from the Seller's late delivery of the Goods. Such consequential damages may include, but are not limited to:
 - (a) Penalties or fines imposed on Buyer by its customers due to the delayed delivery of the Goods;
 - (b) Premium freight, expediting and handling costs incurred by Buyer to mitigate the impact of the delayed delivery of the Goods;
 - (c) Lost production costs incurred by Buyer or its customers directly attributable to the delayed delivery, including but not limited to lost profits, downtime costs and labour costs;
 - (d) Any other foreseeable costs, expenses, or losses demonstrably resulting from the Seller's delay.

§ 6 Acceptance of Goods

(1) Unless expressly stated otherwise in the Purchase Order, upon delivery, Seller shall be bound to afford Buyer a reasonable opportunity of fourteen (14) days to inspect the Goods for the purpose of ascertaining whether they are in conformity with the Purchase Order.

(2) Buyer's duty to inspect the Goods upon receipt is limited to defects visible upon external examination, i.e. damage during transit, incorrect or incomplete delivery, or defects identifiable through standard sampling methods.

(3) In the event of a suspected defect, Buyer shall notify Seller hereof. If Seller does not respond to Buyer within two (2) days and no amicable solution is reached, the existence of the defect shall be deemed to have been acknowledged and accepted. Upon request of Seller, Buyer shall state all the facts of a suspected defect known to Seller.

§ 7 Warranty

(1) Seller warrants that the Goods will be free from any third party right including but not limited to intellectual property rights.

(2) Seller further warrants that the Goods will conform to the agreed specifications, be merchantable and usable for the notified as well as the usual purpose and be free from defects in material and workmanship for a period of five (5) years from the date of delivery in accordance with the agreed Incoterm ("Warranty Period").

(3) In the event of defective supply or delivery of the Goods by Seller, Buyer shall have the right to claim repair or replacement, or to reject the Goods and claim refund of the purchase price of the Goods. Seller shall be responsible for all costs associated with access, de-installation, re-installation and transportation of Goods to and from Seller at the cost of Seller. Buyer reserves the right to claim damages.

(4) Where the claim for defects in the Goods has been invoked by Buyer's customer within the Warranty Period, the claim for defects granted to Buyer shall be deemed to be owed to Buyer's customer by Seller.

(5) To the extent that Seller is not the manufacturer of any components used in the manufacture of the Goods, Seller hereby assigns and transfers to Buyer all warranties provided to Seller by such third-party manufacturer with respect to such components and represents and warrants that such warranties are fully assignable to Buyer and by Buyer to its customers or subsequent purchasers of the Goods, if applicable.

§ 8 Confidentiality

(1) Each Party undertakes to hold the Confidential Information of the other Party in strict confidence, at all times. The receiving Party shall not disclose Confidential Information to any third party unless authorized by the disclosing Party in writing and undertakes to only use the Confidential Information for the performance of these GTCP.

(2) The receiving Party may share the Confidential Information with its affiliates and Representatives on a need-to-know basis, provided such Representatives are bound by confidentiality obligations at least as strict as this clause. The receiving Party shall be liable for the acts and omissions of the Representatives.

(3) The receiving Party may disclose the Confidential Information due to governmental, statutory, law, court order, provided the receiving Party has provided a notice to the disclosing Party prior to such disclosure, if permitted by law.

(4) The obligations of confidentiality shall not be applicable to the extent that the receiving Party can demonstrate that such Confidential Information:

(a) is or has become known in the public domain through no fault of the receiving Party or is in the possession of receiving Party without restriction at the time of disclosure under these GTCP; or

(b) is independently developed by the receiving Party; or

(c) is rightfully obtained by receiving Party from a third party without any obligation of confidentiality to disclosing Party.

(5) Upon written request of disclosing Party, receiving Party shall return, forthwith to disclosing Party, any and all Confidential Information in its possession and control, together with copies thereof, if any, it received from disclosing Party during the term hereof. Alternatively, disclosing Party may elect to have all Confidential Information it transmitted or communicated to receiving Party destroyed by receiving Party pursuant to written instructions. Notwithstanding the foregoing, receiving Party may retain automatically generated electronically archived back-up copies and a confidential file copy of any Confidential Information in its possession solely for purposes of evidence or as may be required by law or otherwise, provided however, that any Confidential Information so retained will continue to be held subject to the duty of confidentiality contained in this GTCP for the duration of such retention.

(6) The obligations of this clause shall survive perpetually for Confidential Information that are trade secrets. For all other Confidential Information, the obligations of this clause shall survive termination/ expiry of Purchase Order, for a period of three (3) years from the date of termination/ expiry, or, if the Confidential Information does not pertain to a Purchase Order, for a period of three (3) years from the date of termination/ expiry of the business relationship between Buyer and Seller. For this purpose, the business relationship shall be deemed to have been expired when no Purchase Order has been issued by the Buyer for 36 consecutive months.

§ 9 Indemnity

(1) Seller agrees to indemnify, defend and hold harmless Buyer, its affiliates, and its Representatives from and against any and all claims, liabilities, damages, losses, costs and expenses arising out of any breach of Seller's obligations under these GTCP or a Purchase Order.

(2) Seller agrees to indemnify, defend and hold harmless Buyer from and against any claims, damages, losses, costs and expenses arising out of any defect in the Goods supplied, including but not limited to manufacturing defects, design defects, and failure to meet specifications.

(3) Seller shall indemnify, defend and hold harmless Buyer from and against any and all loss, liability, cost and expense arising from personal injury, death or property damage, and third-party claims arising from defective Goods resulting from Seller's failure to comply with its obligations under these GTCP or a Purchase Order.

(4) Seller agrees to indemnify, defend and hold harmless Buyer and Buyer's customers from and against any damages, claims, losses arising due to infringement of third party's intellectual property right supply or the use of the Goods in relation to the Goods. Upon Buyer's written request, Seller shall fully take over the conduct of any legal proceedings, claims, or negotiations for settlement at its own costs, and Buyer agrees to reasonably cooperate in such defence or settlement proceedings. However, in no event shall the Seller be entitled to settle any claim or proceeding without Buyer's prior written consent.

§ 10 Intellectual Property Rights

(1) Seller undertakes not to use Buyer's Trademark and shall not infringe right, title and interest in and to any patents, copyrights, trade secrets, trademarks and other intellectual property rights in

the Goods of Buyer. In case the purchase of the Goods is on account of contract manufacturing, or to the extent that Seller is not the manufacturer of any components used in the manufacture of the Goods, Seller hereby irrevocably assigns and transfers to Buyer all right, title, and interest in and to any and all patents, copyrights, trade secrets, trademarks, and other intellectual property rights, whether now existing or hereafter created, arising from or related to the Goods, including any and all improvements, modifications, and derivatives thereof provided to Seller by such third-party manufacturer with respect to such components and represents and warrants that such rights are fully assignable to Buyer and by Buyer to its customers or subsequent purchasers of the Goods, if applicable.

§ 11 Force Majeure

(1) Buyer shall not be liable for any delay or failure to perform any of its obligations under this Agreement on account of a Force Majeure Event. In such case, the performance of Buyer's obligations shall be suspended for so long as the Force Majeure Event continues. Buyer shall promptly inform Seller of the existence of a Force Majeure Event and the Parties shall consult together to find a mutually acceptable solution.

(2) If the default of Seller due to a Force Majeure Event continues for more than one (1) month, Buyer shall be entitled to forthwith terminate the concerned Purchase Order.

(3) "Force Majeure Event" shall mean such an event that is beyond the reasonable control of the Parties, the occurrence of which could not be reasonably expected, foreseen, avoided or overcome by the Parties and which materially affects the performance of any obligations of the Parties under these GTCP and/ or Purchase Order and includes events of labour disputes, riots, embargoes, import/export restrictions, terrorism, war, armed conflict, invasion, hostilities, rebellion, revolution, civil war, riot, insurrection, acts of God, pandemics, natural disasters, government orders/actions and events of similar nature.

§ 12 Termination

(1) Buyer may terminate any and all Purchase Orders immediately, if Seller has:

- (a) become insolvent or bankrupt or has committed any act of bankruptcy or shall go or be put into liquidation,
- (b) breached these GTCP/ a Purchase Order, and did not cure the breach within thirty (30) days from the date of receipt of the notice of breach.

(2) Seller may terminate the Purchase Order on the grounds of a breach that does not constitute a failure to make payment, if Buyer is responsible for such breach, upon providing thirty (30) days' notice to Buyer and Buyer fails to cure the breach.

§ 13 Miscellaneous

(1) **Compliance with Laws:** Seller shall comply with all applicable laws and regulations, statutes, government orders, court orders, including export laws in relation to the sale and delivery of the Goods.

(2) **Code of Conduct:** The Seller undertakes to comply with the current version of our "Supplier Code of Conduct", as amended from time to time, accessible at: <https://www.hengst.com/en/company/suppliers>.

(3) **Assignment:** These GTCP shall not be assigned by Seller to any third party, without the prior written consent of Buyer. Any assignment made in violation of this clause shall be considered void and Seller shall continue to be responsible and liable to Buyer for proper performance of these GTCP and any Purchase Order.

(4) **Entire Agreement:** These GTCP and the Purchase Order shall constitute the entire agreement between the Parties with respect to the subject matter and shall supersede all prior agreements and discussions between the Parties.

(5) **Waiver:** No waiver of any provision of these GTCP shall constitute a waiver of any other provision(s) or of the same provision on another occasion. Failure of either party to enforce any provision of these GTCP shall not constitute a waiver of such provision or any other provision(s) of these GTCP.

(6) **Governing Law:** These GTCP shall be governed by laws of India and subject to paragraph 13.6, courts of Bengaluru, Karnataka shall have exclusive jurisdiction in connection with any dispute arising out of these GTCP.

(7) **Arbitration:** In the event of any dispute, controversy or claim whatsoever arising from these GTCP, the Parties shall undertake to make every effort to reach an amicable settlement within fifteen (15) days upon reference of the dispute by any party through discussions among the concerned representatives of parties, failing which the dispute, controversy or claim shall be settled by Arbitration by a Sole Arbitrator appointed by the Bangalore International Mediation, Arbitration and Conciliation Centre (BIMACC), Bangalore as per its Rules and The Arbitration and Conciliation Act, 1996 as amended from time to time. The seat of arbitration shall be Bangalore, and it shall be conducted in English language. The award passed by the Sole Arbitrator shall be final and binding upon the Parties. The Parties shall bear their respective cost incurred in the arbitration proceedings including but not limited to attorney's fees, venue fees, arbitrator's fees etc.

(8) **Severability:** Should any provision of these GTCP be held by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision may be modified by such court in compliance with the law giving effect to the intent of the parties and enforced as modified. All other terms and conditions of these GTCP shall remain in full force and effect and shall be construed in accordance with the modified provision.

(9) **Survival:** Paragraphs 7, 8, 9, 10, 12 and 13 of these GTCP shall survive the termination/expiry of the relevant Purchase Order.