

TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

1. INTERPRETATION

- 1.1 In these Conditions the following words shall have the following meaning:
- “Acceptance” the affirmative statement in writing by the Company that the Goods or Services met all requirements of the Contract. If such affirmative written statement has not been issued by the Company and the Company has not rejected the Goods or Services or sent a complaint, then acceptance will be deemed thirty (30) days after delivery;
- “Affiliate” means any corporation or other legal entity which controls a party, is controlled by a party or which is under common control with a party, whereat “control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such entity, whether through the ownership of voting securities, by contract, or otherwise;
- “Company” any of the following: Hottinger Brüel & Kjaer GmbH, Hottinger Brüel & Kjaer A/S, Hottinger Brüel & Kjaer Norway A/S, Hottinger Brüel & Kjaer Polska Sp.z.o.o., Hottinger Brüel & Kjaer Austria GmbH, Hottinger Brüel & Kjaer Ibérica SLU, Hottinger Brüel & Kjaer Italy S.R.L., HBK Fibersensing SA, Hottinger Brüel & Kjaer France SAS, Hottinger Brüel & Kjaer Benelux B.V., Discorn Elektronische Komponentensysteme GmbH, VI-grade GmbH, IMTEC GmbH, or Vi-grade S.R.L., Concurrent High Performance Solutions Europe, S.A., HBM Prencsia Sp.z.o.o.;
- “Conditions” these Terms and Conditions for the Purchase of Goods and Services;
- “Contract” the agreement resulting from the Order and the SUPPLIER’s acceptance of the Order;
- “Goods” any goods delivered and to be delivered to the Company and/or any Company Affiliates by the SUPPLIER (including any part or parts of them and any software);
- “Losses” losses (including any direct, indirect or consequential losses, loss of profit, and loss of reputation), claims, damages, liabilities, fines, interest, penalties, costs, charges, expenses, demands, and legal and other professional costs (calculated on a full indemnity basis);
- “Services” any services provided and to be provided by the SUPPLIER to the Company and/or any Company Affiliates;
- “Order” the Company’s written instruction to supply the Goods and/or Services;
- “SUPPLIER” the person, firm or company who accepts the Company’s Order.
- 1.2 In these Conditions references to any statute or statutory provision shall, unless the context otherwise requires, be construed as a reference to that statute or provision as from time to time amended, consolidated, modified, extended, re-enacted or replaced.
- 1.3 In these Conditions references to the masculine include the feminine and the neuter and to the singular include the plural and vice versa as the context admits or requires.
- 1.4 In these Conditions the headings will not affect the construction of these Conditions.

2. GENERAL

- 2.1 These Conditions are the only conditions upon which the Company is prepared to deal with the SUPPLIER and they shall govern the offers to and Orders made by the Company and all Contracts, to the entire exclusion of all other terms or conditions. No terms or conditions endorsed upon, delivered with or contained in the SUPPLIER’s quotation, acknowledgment or acceptance of Order, specification or similar document will form part of the Contract and the SUPPLIER waives any right which it otherwise might have to rely on such terms and conditions.
- 2.2 Any variation to these Conditions shall have no effect unless expressly agreed in writing and signed by an authorized officer of the Company.
- 2.3 Each Order shall be deemed to be an offer by the Company to purchase Goods and/or Services subject to these Conditions and an Order shall be deemed to be accepted by the SUPPLIER on the earlier of the SUPPLIER giving written notice of acceptance or any act by the SUPPLIER consistent with fulfilling the Order. SUPPLIER shall sell and supply the Goods and/or Services to Company and/or any Company Affiliates at the prices and terms established pursuant to these Conditions.
- 2.4 If the SUPPLIER’s order confirmation deviates from the Order, such deviations shall not be binding between the parties, unless the Company has expressly accepted such deviations in writing.
- 2.5 Unless explicitly agreed otherwise in writing, each Contract will be entered into for one specific and specified Order and the Company does not grant any exclusivity to the SUPPLIER.

- 2.6 The fact that the Company places Orders with the SUPPLIER on a regular basis will not entitle the SUPPLIER to claim that it has a continuing performance agreement whose termination requires the giving of notice.
- 2.7 Time for delivery of the Goods and/or the performance of the Services shall be of the essence of the Contract.
- 2.8 Delivery of the Goods and performance of the Services shall not be by installments and part shipment/partial services invoice shall not be allowed, unless otherwise agreed by the Company in writing.
- 2.9 The SUPPLIER shall provide the Company with the correct Export Control Classification Numbers (ECCN), Harmonised System Code, Country of Origin and Preferential Origin Status and include relevant information required to comply with regulation (EU) 2023/956. The SUPPLIER shall inform the Company immediately of any change in one of these classifications.
- 2.10 The SUPPLIER will perform the Contract entirely at its own risk. If the SUPPLIER fails to supply the Goods and/or Services in accordance with the Order, SUPPLIER shall indemnify the Company from any Losses sustained by the Company as a direct or indirect result of SUPPLIER’s failure to supply the Goods and/or Services in accordance with the Order.
3. PRICE AND PAYMENT
- 3.1 The price of the Goods shall be stated in the Order and unless otherwise agreed in writing by the Company, shall be exclusive of VAT but inclusive of all other charges, including federal, state, and local taxes, duties, tariffs, and costs and expenses incurred in connection with the fulfillment of SUPPLIER’s obligations under the Contract.
- 3.2 No Price increase or extra charges will be applicable unless expressly accepted in writing by a duly authorized representative of the Company.
- 3.3 In respect of Goods, the SUPPLIER shall invoice the Company on or at any time after completion of delivery and Acceptance of the Goods. In respect of Services, the SUPPLIER shall invoice the Company on completion and Acceptance of the Services. The invoice shall be sent to the Company separately. Each invoice shall include such supporting information as is required by the Company to verify the accuracy of the invoice and shall quote the purchase order reference number (if any) of the Order to which it relates.
- 3.4 The Company shall pay the price within sixty (60) days of the end of the month after receipt by the Company of a valid invoice or, if later, after Acceptance of the Goods or Services in question by the Company.
- 3.5 If the Company objects to the invoice or to the Goods delivered or the Services rendered it may suspend payment, without prejudice to any of its other rights by Contract or law.
- 3.6 Without prejudice to any of its other rights by Contract or law, the Company reserves the right to set off any amount owing or allegedly owed at any time from the SUPPLIER to the Company against any amount payable by the Company to the SUPPLIER under the Contract.

4. CONFIDENTIALITY AND PERSONAL DATA PROTECTION

- 4.1 SUPPLIER shall keep in strict confidence all technical or commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the SUPPLIER by the Company or its agents and any other confidential information concerning the Company’s business or its products (“Confidential Information”) which the SUPPLIER may obtain and the SUPPLIER shall restrict disclosure of Confidential Information to such of its employees, agents or sub-contractors as need to know the same for the purpose of discharging the SUPPLIER’s obligations to the Company and shall ensure that such employees, agents or sub-contractors are subject to like obligations of confidentiality as bind the SUPPLIER. The SUPPLIER shall be responsible for any authorized use or disclosure by any third party to whom it transfers or provides access to Confidential Information to the same extent as if the SUPPLIER had itself used or disclosed such information. Except as required for the performance of the Contract, the SUPPLIER shall not make copies or permit copies to be made of Confidential Information without the prior written consent of the Company. SUPPLIER shall protect such Confidential Information until such time as it falls into one of the exceptions in Section 4.2 below.
- 4.2 Confidential Information within the meaning of Section 4.1 above of this Agreement shall not be regarded such information that:
- is, at the time of disclosure, available to the public;
 - becomes at a later date available to the public otherwise than as a consequence of a breach of any confidentiality obligation hereunder by SUPPLIER;
 - the SUPPLIER can demonstrate was lawfully in its possession before receipt hereunder;
 - is disclosed to the SUPPLIER, without a restriction on disclosure, by a third party who has - to the best of the

TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

SUPPLIER's knowledge - the lawful right to disclose such information; or

- e) is developed or generated by the receiving party independently of the Confidential Information.
- 4.3 SUPPLIER shall, within twenty-four (24) hours, notify Company in writing of any breach or apparent breach of the confidentiality obligations above, and SUPPLIER shall immediately take such measures as are reasonably necessary, or requested by Company to identify the cause, impact and contain such breach.
- 4.4 a) For the purpose of this Article 4.4, "Personal Data" includes any information relating to an identified or identifiable natural person that is obtained by the SUPPLIER from the Company, and "Processing" includes any operation or set of operations performed upon Personal Data, such as collection, recording, organization, storage, adaptation or alteration, retrieval, accessing, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction.
- b) Subject to applicable laws, the parties acknowledge that, in respect of all Personal Data Processed under the Contract, the Company is the data controller or the data user or equivalent and the SUPPLIER is the data processor or equivalent.
- c) The SUPPLIER and its employees, agents or sub-contractors shall view and Process Personal Data only on a need-to-know basis and only to the extent necessary to perform the Contract, and the SUPPLIER shall ensure that all such employees, agents or sub-contractors are subject to like obligations of confidentiality in respect of Personal Data as bind the SUPPLIER.
- d) The SUPPLIER shall use reasonable technical and organizational measures to ensure the security and confidentiality of Personal Data in order to prevent, among other things, accidental, unauthorized or unlawful destruction, modification, disclosure, access or loss. The SUPPLIER shall immediately inform the Company of any breach of this security and confidentiality undertaking unless prohibited from doing so by law.
- e) Further, the SUPPLIER shall: (i) within twenty-four (24) hours, notify the Company in writing of any breach or apparent breach of the obligations under this Article 4.4, and SUPPLIER shall immediately take such measures as are reasonably necessary, or requested by the Company to identify the cause, impact and contain such breach; (ii) delete or return all Personal Data and existing copies to the Company at the end of the performance of the Contract, and if the Company fails to provide any instructions to the SUPPLIER at the end of the performance of the Contract, the SUPPLIER shall delete the relevant Personal Data upon expiry of the statutory retention period under applicable laws; and (iii) make available to the Company all information necessary, and allow for and contribute to audits and inspections conducted by the Company or the Company's mandated auditor, to the extent required to enable the Company to demonstrate compliance with its obligations imposed by applicable laws.
- f) If the parties are required by applicable laws to put in place a data processing agreement for the Processing of Personal Data, the parties shall negotiate and agree in good faith an appropriate agreement.

5. COMPANY PROPERTY

- 5.1 Materials, equipment, tools, dies, moulds, copyright, design rights or any other form of intellectual property rights in all drawings, specifications and data supplied by the Company to the SUPPLIER or not so supplied but used by the SUPPLIER specifically in the manufacture of the Goods or rendering of Services (hereinafter jointly referred to as "Company Property") shall at all times be and remain the exclusive property of the Company but shall, where applicable, be held by the SUPPLIER in safe custody at its own risk and maintained and kept in good condition by the SUPPLIER until returned to the Company and shall not be disposed of other than in accordance with the Company's written instructions, nor shall such items be used otherwise than as authorized by the Company in writing.
- 5.2 The SUPPLIER is obliged to store the relevant Company Property in a manner that clearly identifies them as the Company's property; to the extent necessary, the SUPPLIER must mark the Company Property as the Company's property.
- 5.3 The SUPPLIER must immediately draw the attention to any third parties seeking recourse to the Company Property and has a duty to protect the Company Property to the extent possible. The SUPPLIER must immediately inform the Company of any claims by third parties and of any measures it has taken in that context.
- 5.4 If the SUPPLIER creates a good with the use of any Company Property, it will be considered to create that good for the Company.

6. INTELLECTUAL PROPERTY RIGHTS

- 6.1 Any intellectual property rights arising from Orders placed by the Company will vest in the Company and will be transferred to the Company. The SUPPLIER shall execute such documents and take all

such actions at the Company's expense, as the Company may require, to fully vest such intellectual property in the Company.

- 6.2 With respect to any intellectual property rights referred to under 6.1 that are not capable of being transferred to the Company, or with respect to any intellectual property rights that already existed at the moment of conclusion of the Contract, the SUPPLIER hereby grants to or shall procure the granting to the Company for the full term of the legal protection of the worldwide, nonexclusive, perpetual, royalty-free, irrevocable right to use such intellectual property rights in such manner as the Company requires, with the right to grant sublicenses, and such rights are hereby accepted by the Company.
- 6.3 The SUPPLIER warrants that the use of the Goods and Services does not violate any third-party property rights.
- 6.4 Section 6.1 above shall not apply to commercial or COTS parts (Goods or Services not being customized or designed for Company) being supplied by SUPPLIER, and SUPPLIER shall retain all rights, title and interest in any COTS or commercial Goods or Services being provided hereunder. Notwithstanding the above, SUPPLIER hereby grants the Company for the full term of legal protection an irrevocable, nonexclusive, worldwide, royalty-free license to sell, offer for sale, use, execute, reproduce, display, perform, or distribute (internally or externally) the intellectual property rights related to or embodied in SUPPLIER's commercial or COTS Goods or Services being provided hereunder.
- 7. COMPLIANCE WITH LAWS AND BUSINESS ETHICS**
- 7.1 The SUPPLIER is deemed to be aware of the legal requirements and governmental regulations relevant to the performance of the Contract, including safety, health, and environmental rules and regulations, and shall comply with such requirements and regulations in performing the Contract. In particular, but without limitation, the SUPPLIER shall comply with the Restriction of Hazardous Substances Directive (RoHS), Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), Waste Electrical and Electronic Equipment Directive (WEEE) and Part 15 of the Federal Communications Commission's rules as well as the Toxic Substances Control Act of 1976 with all its amendments.
- 7.2 The SUPPLIER represents, warrants, acknowledges and agrees that it has read and fully understood the contents of the Company's Code of Business Ethics (the "Code") and the Global Supplier Code of Conduct which can be accessed and downloaded at <https://www.hbkworld.com/en/about/business-ethics> and <https://media.hbkworld.com/m/61f142751a4516ca/original/Global-Supplier-Code-of-Conduct.pdf> and will be sent to the SUPPLIER in a digital format upon request, and shall conduct its business with equivalent ethical standards as set forth in the Codes and agrees to install similar obligations to its own upstream vendors.
- 7.3 Without limiting the generality of this Article 7, the SUPPLIER agrees that it shall and that it shall procure that its employees and officers, agents, sub-contractors, and any other person who performs services for the SUPPLIER in relation to the Contract shall comply with all applicable laws relating to (i) bribery and other corruption, including the Bribery Act 2010 and (ii) slavery and human trafficking, including the Modern Slavery Act 2015 or applicable minimum wage regulation.
- 7.4 In view of Section 1502 of the Dodd-Frank Act, the SUPPLIER shall have a policy in place to reasonably assure that the tantalum, tin, tungsten, and gold in the Goods do not directly or indirectly finance or benefit armed groups that are perpetrators of serious human rights abuses in the Democratic Republic of Congo or an adjoining country. The SUPPLIER shall exercise due diligence on the source and chain of custody of these minerals and shall make their due diligence measures available to the Company upon the Company's request.
- 7.5 At the Company's request and cost, the SUPPLIER agrees to provide the Company with any reasonable assistance to enable it to perform any activity required by any relevant government or agency for the purpose of complying with laws and regulations.
- 7.6 The SUPPLIER shall:
- a) not engage in any activity, practice or conduct which would constitute either:
- (i) a tax evasion facilitation offence under section 45(1) of the UK Criminal Finances Act 2017 or another similar applicable law; or
- (ii) a foreign tax evasion facilitation offence under s46(1) of the Criminal Finances Act 2017 or another similar applicable law;
- b) have and shall maintain in place throughout the term of the Contract such policies and procedures as are both reasonable to prevent the facilitation of tax evasion by another person (including without limitation employees of the SUPPLIER) and to ensure compliance with this clause;
- c) promptly report to the Company any request or demand from a third party to facilitate the evasion of tax within the meaning of

TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

- Part 3 of the Criminal Finances Act 2017 or another applicable law in connection with the performance of the Contract;
- d) within six (6) months of the date of the Contract, and annually thereafter, certify to the Company in writing signed by an officer of the SUPPLIER, compliance with this clause by the SUPPLIER and all persons associated with it under this clause. The SUPPLIER shall provide such supporting evidence of compliance as the Company may reasonably request.
- 7.7 The SUPPLIER shall ensure that any person associated with the SUPPLIER who providing Goods and performing Services in connection with the Contract does so only on the basis of a written contract which imposes on and secures from such person terms equivalent to those imposed on the SUPPLIER in this clause (**Relevant Terms**). The SUPPLIER shall be responsible for the observance and performance by such persons of the Relevant Terms and shall be directly liable to the Company for any breach by such persons of any of the Relevant Terms.
- 7.8 Breach of this clause shall be deemed a material breach.
- 7.9 For the purposes of clause, the meaning of reasonable prevention procedure shall be determined in accordance with any guidance issued under section 47 of the Criminal Finances Act 2017 or another similar applicable law and a person associated with the SUPPLIER includes but is not limited to any subcontractor of the SUPPLIER.
- 7.10 The SUPPLIER shall provide the information required by the Company under the Act on Corporate Due Diligence Obligations in Supply Chains (Germany) and similar legislation as applicable, i.g. Spanish Plastic Tax of 2023. The SUPPLIER shall provide supporting evidence of compliance as the Company may reasonably request.
- 7.11 The SUPPLIER shall comply with laws and regulations applicable to the performance of the Services and the sale of Goods including, without limitation laws and regulations on employment, labor, and concealed work and foreign workers regarding its employees, and warrants that its authorized subcontractors will comply with such applicable laws.
- 7.12 The SUPPLIER shall provide the Company with all documents required by applicable laws upon signature of the Contract. In particular, without limitation, the SUPPLIER shall provide:
- a) The SUPPLIER's certificate of incorporation (or similar documentation), not older than three months, to confirm that the SUPPLIER is registered as a company in its country of establishment;
- b) A certificate, not older than six months, issued by the social security agency responsible for collecting social security contributions or similar body, stating that all required employment-related notifications, if any, for the SUPPLIER's personnel assigned to the performance of the Services or the delivery of the Goods have been submitted, and that all contributions, including social security contributions, have been paid;
- c) Written confirmation to the Company that (i) the SUPPLIER has received equivalent documentation to that referred to above, from all subcontractors expressly approved by the Company (if applicable) and that (ii) each such subcontractor has confirmed to the SUPPLIER that they have completed all required administrative formalities in relation to relevant work permit and visa requirements prior to commencing the provision of their Services or delivering the Goods.
- 7.13 The Company shall be entitled to suspend performance of the Contract until the SUPPLIER provides such documentation. In case of non-compliance with this obligation, the Company shall be entitled to terminate the Contract as of right.
- 7.14 The SUPPLIER shall not and shall procure that none of its owner, shareholder, manager, employees or contractor make, publish or cause to be made or published any statement or remark which may harm the business or reputation of the Company or any present or former officer, member, consultant, employee, agent, customer, supplier or shareholder of any such entity.
- 7.15 The SUPPLIER shall hold harmless and fully indemnify the Company and its affiliates, managers, officers, employees, from any labor, social security and/or health and safety and/or tax claims raised by the SUPPLIER's staff, its employees or former employees, contractors or former contractors (and their own employees and contractors), professionals, managers or directors working in connection with the performance of the Services or the delivery of the Goods and/or the social security authorities, and/or the tax authorities and for any amounts claimed against the Company, its affiliates, managers, officers and/or employees in this respect, including, without limitation, damages, penalties, fines, civil, criminal or administrative sanctions.
- 8. EXPORT CONTROL AND SANCTIONS**
- 8.1 The SUPPLIER shall comply with all applicable laws and trade controls including, but not limited to obtaining all necessary export licenses and any imposition of sanctions.
- 8.2 The SUPPLIER confirms that, at the date of the Contract, neither itself nor its directors or officers are (i) on any list as a blocked party, or persons subject to asset-freezing provisions, under any applicable trade controls (collectively Targeted Person) (ii) owned or controlled, fully or partially, by a Targeted Person.
- 8.3 Should the SUPPLIER become a Targeted Person or become fully or partially owned, directly or indirectly, by any Targeted Person company, the SUPPLIER will promptly notify the Company of this and the Company will at its discretion be entitled to terminate the Contract in force between the parties immediately and with no liability.
- 8.4 The SUPPLIER agrees to ensure any subcontractors or any other party it may engage with in connection with the Contract are informed of and will comply with the requirements of this clause.
- 8.5 The SUPPLIER will not procure any goods, parts, or services from a sanctioned country or targeted person. Furthermore, it will not transship through any country or region subject to US or EU comprehensive sanctions.
- 8.6 The SUPPLIER shall provide the Company with all Harmonized Tariff Schedule Codes, Export Control Classification Numbers, Country of Origin, manufacturer name, and, where applicable, Free Trade Agreement qualification for all items supplied under the Contract. Further, the SUPPLIER shall notify the Company of any changes to this information.
- 9. REMEDIES AND INSURANCE**
- 9.1 Without prejudice to any other right or remedy which the Company may have, if any Goods or Services are not supplied or provided in accordance with, or the SUPPLIER fails to comply with, any of the terms of this Contract, the Company shall be entitled to avail itself of any one or more of the following remedies at its discretion, whether or not any part of the Goods or Services have been accepted by the Company:
- a) to cancel the Order and/or terminate the Contract;
- b) at the Company's option to give the SUPPLIER the opportunity at the SUPPLIER's expense to (i) reperform the Services; (ii) remedy any defect in the Goods; (iii) supply replacement Goods; (iv) and/or carry out any other necessary work to ensure that the terms of the Contract are fulfilled;
- c) to carry out at the SUPPLIER's expense any work necessary to make the Goods or Services comply with the Contract;
- d) to reject the Goods or Services (in whole or in part) and receive a full refund for the Goods or Services rejected, to be paid forthwith by the SUPPLIER;
- e) to refuse to accept any further deliveries of the Goods or provision of the Services but without any liability to the SUPPLIER;
- f) to recover from the SUPPLIER any expenditure reasonably incurred by the Company in obtaining the Goods or Services in substitution from another SUPPLIER;
- g) to claim such Losses as may have been sustained in consequence of the SUPPLIER's breaches of the Contract.
- 9.2 Without prejudice to Article 9.1, it is expressly understood that if the Company has supplied any Goods that are not in conformity with the Contract to third parties, the Company may at its discretion either repair the Goods itself or require the SUPPLIER to repair such Goods, which the Company may require to take place at the site of the SUPPLIER or the third party. In all cases, all costs incurred by the Company and the SUPPLIER (e.g. traveling and labor costs) will be borne by the SUPPLIER, without prejudice to any other rights of the Company under the Contract or the law
- 9.3 SUPPLIER and its subcontractors, at their sole cost and expense, will, at all times throughout the period of performance of the Contract, maintain with reputable insurance companies that are authorized to do business under the laws of any applicable jurisdiction, insurance coverage in the minimum amounts as indicated below:
- a) Worker's Compensation insurance coverage (or DBA, LS&H, or local equivalent outside the U.S.) as required by the laws of the state/country/jurisdiction in which the work is performed;
- b) Employer Liability insurance in the amount of \$1,000,000 or its equivalent in applicable currency;
- c) Commercial General Liability (CGL) with a Combined Single Limit (CSL) of \$2,000,000 or its equivalent in applicable currency for bodily injury and/or property damage. Coverage shall include, but not necessarily be limited to, premises and operations, products, and completed operations and contracts.
- d) Automobile Liability (AL) with a CSL of \$2,000,000 or its equivalent in applicable currency for bodily injury and/or

TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

property damage covering all owned, hired, and non-owned vehicles;

- e) such insurance as mandated by the applicable countries/states/jurisdictions involved;
- f) Additional insurance as may be reasonably requested by the Company based upon the Goods or Services being supplied.

10. CANCELLATION, SUSPENSION AND TERMINATION

- 10.1 The Company shall have the right at any time and for any reasonable cause to cancel an Order and/or terminate any Contract in whole or in part, by giving the SUPPLIER written notice whereupon all work on the Contract shall be discontinued and the Company shall pay to the SUPPLIER only fair and reasonable compensation for work-in-progress and costs actually incurred by the SUPPLIER up to the date of termination, which will in no case exceed the price stated in the Order. For the avoidance of doubt, such compensation shall not include loss of anticipated profits, revenue, business opportunity, goodwill, reputation or economic loss, or any indirect, punitive or consequential loss.
- 10.2 Notwithstanding Article 10.1, if the Company cancels an Order and/or terminates a Contract for Services before the expiry of its contractual period or otherwise terminates the Contract prematurely, the Company will never be obliged to more than (i) payment for the Services actually performed in the event of periodic payment; or (ii) in the event of a fixed contract sum, payment of a proportional part of the compensation agreed, based on the contractual term already expired and the Services performed.
- 10.3 Without prejudice to any other rights that the Company may have under the Contract or law, the Company shall have the right at any time to forthwith suspend payment or cancel an Order and/or terminate any Contract, in whole or in part by giving notice in writing to the SUPPLIER, if: (i) the SUPPLIER commits a breach of any of the terms and conditions of the Contract; (ii) any distress, execution or other process is levied upon any of the assets of the SUPPLIER; (iii) the SUPPLIER enters into any compromise or arrangement with its creditors, commits any act of bankruptcy or if an order is made or an effective resolution is passed for its winding up (except for the purposes of amalgamation or reconstruction as a solvent company) or if a petition is presented to court, or if a receiver and/or manager, receiver, administrative receiver or administrator is appointed in respect of the whole or any part of the SUPPLIER's undertaking or assets; (iv) the SUPPLIER ceases or threatens to cease to carry on its business; or (v) the financial position of the SUPPLIER deteriorates to such an extent that in the opinion of the Company the capability of the SUPPLIER to adequately fulfill its obligations under the Contract has been placed in jeopardy.
- 10.4 Cancellation or termination of the Contract, however arising, will be without prejudice to the rights and duties of the Company accrued prior to such cancellation or termination. The Conditions which expressly or impliedly have effect after cancellation or termination will continue to be enforceable notwithstanding cancellation or termination.
- 10.5 No specific form is required for cancellation or termination of the Contract unless otherwise mandated by the applicable law.

11. LIABILITY AND INDEMNITY

- 11.1 Improper performance of the SUPPLIER will render SUPPLIER in material default immediately, without notice of default being required.
- 11.2 Without prejudice to any other rights of the Company under the Contract or law, the SUPPLIER shall indemnify and keep indemnified and defend the Company in full and hold it harmless on demand from and against any and all Losses suffered or incurred by the Company or for which the Company may become liable arising out of or in connection with:
 - a) defective design, workmanship, quality, materials or any other defect in the Goods or Services, including but not limited to any breach of the warranty set out in Article 18.1, to the extent that the defect is attributable to the acts or omissions of the SUPPLIER, its employees, agents or sub-contractors;
 - b) any infringement or alleged infringement of any intellectual property rights arising out of, or in connection with, the manufacture, supply or use of the Goods or the supply, receipt or use of the Services; and
 - c) violation by SUPPLIER, its employees, agents or sub-contractors, of any applicable law, regulation as well as failure on the part of SUPPLIER to obtain any necessary permits and licenses that may be required in connection with the performance of the Services; and
 - d) the supply of the Goods or Services, to the extent that such Losses arise out of the breach, negligent performance or failure or delay in performance of the Contract by the SUPPLIER, its employees, agents or sub-contractors.

- 11.3 The SUPPLIER shall indemnify the Company against third-party claims arising from product liability to the extent that the SUPPLIER is responsible for the product defect and the damage incurred. The Company shall inform the SUPPLIER of the content and scope of the recall or service measures - as far as possible and reasonable - and give the SUPPLIER the opportunity to comment.

12. ASSIGNMENT

- 12.1 The SUPPLIER is not entitled to assign, novate, transfer, or sub-contract the Contract or any part of it without the prior written consent of the Company.
- 12.2 The SUPPLIER hereby agrees that the Company may assign, novate, transfer or sub-contract the Contract or any part of it to any person, firm, or company and hereby cooperates with such an assignment in advance.

13. FORCE MAJEURE

- 13.1 If any party is prevented from or delayed in the carrying out of its obligations due to circumstances beyond its reasonable control it shall not be liable for the duration of such circumstances provided it has demonstrated that it has explored and not been able to use reasonable alternatives. Such circumstances include acts of God, pandemics including COVID-19, governmental actions, war or national emergency, riot, civil commotion, fire, explosion, flood, and epidemic.
- 13.2 The following failures will not be regarded as "force majeure": those arising from transport problems, illness of staff, strikes, stagnation in the SUPPLIER's or its suppliers' business, other shortcomings of the suppliers and product shortages.
- 13.3 The party whose performance is so affected shall immediately notify the other party in writing, including all relevant information with respect thereof, and shall likewise notify promptly of any subsequent change in the circumstances. If SUPPLIER fails to immediately notify the Company of the occurrence of a force majeure event as aforesaid, then SUPPLIER thereafter shall not be entitled to refer such event to force majeure as a reason for non-fulfillment. If SUPPLIER so notifies Company of a force majeure event, at the Company's sole option, the affected Order shall be completed with such adjustments to the delivery schedule as are reasonably required by the existence of such cause or the affected Order may be terminated for convenience by Company.

14. MISCELLANEOUS

- 14.1 Each right or remedy of the Company under the Contract is without prejudice to any other rights of the Company under the Contract or in law.
- 14.2 If any provision of the Contract is found by any court, tribunal, or administrative body of competent jurisdiction to be wholly or partly illegal, invalid, void, voidable, unenforceable, or unreasonable it shall, to the extent of such illegality, invalidity, voidness, voidability, unenforceability or unreasonableness, be deemed severable and the remaining provisions of the Contract and the remainder of such provision shall continue in full force and effect.
- 14.3 Failure or delay by the Company in enforcing or partially enforcing any provision of the Contract will not be construed as a waiver of any of its rights under the Contract.
- 14.4 Any waiver by the Company of any breach of, or any default under, any provision of the Contract by the SUPPLIER will not be deemed a waiver of any subsequent breach or default and will in no way affect the other terms of the Contract.
- 14.5 Any provisions of the Contract which either expressly or by their nature extend beyond the expiration or termination of the Contract shall survive such expiration or termination.

15. APPLICABLE LAW AND JURISDICTION

The Contract and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes and claims) shall be governed by and construed in accordance with the laws of the country, state or other jurisdiction where the Company issuing the Order is located. The application of the UN Convention on Contracts for the International Sale of Goods ('CISG') is expressly excluded. The parties shall agree to settle any claims or disputes arising out of or in connection with these Conditions or any Contract by amicable negotiations. If no settlement can be reached through negotiations within sixty (60) days after either party has served written notice to the other requesting such negotiations, then the dispute shall be resolved by arbitration under the rules of the London Court of International Arbitration ("LCIA"), which Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one. The seat, or legal place, of arbitration shall be Boston, Massachusetts for Orders with a US-based Company, London, England for a UK based Company, Frankfurt, Germany for a European based Company, Singapore, for an Asian based Company,

TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

and the seat of the HBK party to the Contract in any other case. The language to be used in the arbitral proceedings shall be English. In case the locally applicable law does not allow for arbitration based on Terms & Conditions, the local court at the seat of the HBK entity receiving the goods or services shall be the legal venue.

PURCHASE OF GOODS

16. GENERAL

16.1 In addition to Articles 1 to 15, Articles 16 – 18 will apply to the extent a Contract relates to the purchase of Goods.

17. DELIVERY

17.1 Unless otherwise notified by the Company in the Order, the Goods shall be delivered DDP (in accordance with the most recent version of the ICC Incoterms), to such place of delivery as is indicated by the Company, the SUPPLIER shall be responsible for loading the Goods. Notwithstanding the foregoing, the Company may request the SUPPLIER to arrange for transportation to the Company's premises through the carrier nominated by the Company.

17.2 The date for delivery shall be specified in the Order, or if no such date is specified then delivery shall take place within twenty-eight (28) calendar days after placing the Order. If the actual date of delivery to the Company's premises is later than that specified in the Order then without prejudice to any other rights it may have, the Company may apply the remedies as set forth in these Conditions.

17.3 The SUPPLIER warrants that all components and spare parts of the delivered Goods (including any software) will be available during the technical life of the delivered Goods and promptly dispatched to the Company upon its request.

17.4 The SUPPLIER shall ensure that each delivery is accompanied by a delivery note which shows, inter alia, the Order number, line item number, date of Order, number of packages and contents, and, in the case of partial delivery, the outstanding balance remaining to be delivered.

17.5 Unless otherwise stipulated by the Company in the Order, deliveries shall only be accepted by the Company in normal business hours.

17.6 The SUPPLIER may only require the Company to return any packaging material to the SUPPLIER if that fact is agreed and must be clearly stated on any delivery note delivered to the Company and any such packaging material will only be returned to the SUPPLIER at the cost of the SUPPLIER.

17.7 Where the Company agrees in writing to accept delivery by installments the Contract will be construed as a single Contract in respect of each installment. Nevertheless, failure by the SUPPLIER to deliver any installment shall entitle the Company to avail itself of the remedies as set forth in Article 9.

17.8 If the Goods are delivered to the Company in excess of the quantities ordered, the Company shall not be bound to pay for the excess and any excess will be and will remain at the SUPPLIER's risk and will be returnable at the SUPPLIER's expense.

18. QUALITY AND DEFECTS

18.1 The SUPPLIER warrants that the delivered Goods (including the packaging materials) are in conformity with the Contract. This means at any rate that the Goods (including but not limited to any repaired Goods) shall be new, of the best available design, of the best quality, material and workmanship, be without fault, and conform in all respects with the Order and specification and/or patterns supplied or advised by the Company to the SUPPLIER and that the Goods shall be fit for the particular purposes for which they are required by the Company and comply with all applicable statutory rules and regulations. By fulfilling the Order, the SUPPLIER acknowledges that the Company is relying upon the SUPPLIER's skill or judgment in providing such Goods.

18.2 Without prejudice to any other rights of the Company under the Contract or the law, the warranty set forth in Article 18.1 shall extend for a period of thirty (30) months, or as otherwise agreed in writing between the Parties, from the actual date of delivery of the Goods to the Company. Any Goods repaired or replaced during said warranty term are warranted for the remainder of the original warranty term or twelve (12) months following the delivery date of such repaired or replaced Goods as specified by Article 17.2, whichever period is longer.

18.3 At any time prior to delivery of the Goods to the Company and within thirty (30) days thereafter or as otherwise agreed in writing between the parties, the Company shall have the right to inspect and test the Goods.

18.4 If the results of such inspection or testing cause the Company to be of the opinion that the Goods do not conform or are unlikely to conform to the Contract, the Company shall inform the SUPPLIER and the SUPPLIER shall immediately take such action as is necessary to

ensure conformity and in addition the Company shall have the right to require and witness further testing and inspection.

18.5 Notwithstanding any such inspection or testing, the SUPPLIER shall remain fully responsible for the Goods and any such inspection or testing shall not diminish or otherwise affect the SUPPLIER's obligations under the Contract.

18.6 If any of the Goods fail to comply with the provisions set out in this Article 18, the Company shall be entitled to any one or multiple remedies listed in Article 9.

PERFORMANCE OF SERVICES

19. GENERAL

19.1 In addition to Articles 1 to 15, Articles 19 - 21 will apply to the extent a Contract relates to the performance of Services.

20. OBLIGATIONS OF THE SUPPLIER

20.1 The SUPPLIER shall perform the Services, and in addition to any deliverables stated in the Order, shall provide to the Company, all data and other results arising out of the performance of the Services. SUPPLIER shall supply all Services exercising the due diligence, reasonable care, and skill required of a diligent contractor and such Services shall be provided in accordance with the latest state of art and science applicable to the Services. The SUPPLIER warrants that, in performing the Contract, it, its staff, and any third parties that it employs with the Company's consent will strictly observe the reasonable instructions and wishes of the Company or other natural persons or legal entities designated by the Company.

20.2 The SUPPLIER warrants that the result of the Services to be performed by it or on its behalf will meet the qualifications set by the Company.

20.3 The SUPPLIER warrants that the staff employed to perform the Services will do so in accordance with any special requirements to be set by the Company or, absent such special requirements, in accordance with stringent requirements of professionalism, expertise, and good industry practice.

20.4 The Company may require that staff who, in the Company's sole opinion, do not meet the above requirements be removed and replaced immediately.

20.5 If the Company so desires, a responsible person designated by the SUPPLIER will always be present during the performance of the Services by the SUPPLIER. That person's name must be known to the Company. Upon commencement, interruption, or termination of the work, that person must report to the Company, which will assess whether the SUPPLIER has acted in conformity with the arrangements made in this matter.

20.6 Prior to the performance of any Services, the SUPPLIER warrants that it has obtained any permits, licenses, or approvals that may be required in connection with the performance of the Services.

20.7 The SUPPLIER understands and acknowledges to retain at all times the capacity of the employer of its personnel. In case of termination of the Contract or transfer of Contract to a third party, the SUPPLIER shall indemnify and hold harmless the Company and, if so directed by the Company, any of its service providers, from and against any claims of its personnel concerning employment protection rights relating to an alleged transfer of undertaking and all costs associated therewith (including any wages and redundancy costs).

20.8 If any part of the provided Services, fails to comply with the provisions set out in this Article 20, the Company shall be entitled to any one or more remedies listed in Article 9.

21. DELIVERY OF SERVICES

21.1 The SUPPLIER will bear the risk of accidental loss or accidental deterioration of the Goods, the ancillary materials, and the material used by the SUPPLIER to perform the Services, including but not limited to the risk of theft, loss, and damage.

21.2 The Services will be deemed to have been completed only after the SUPPLIER has notified the Company either in writing or orally that the Services have been completed and the Company has approved the Services and notified the SUPPLIER accordingly in writing. The SUPPLIER will be entitled to charge any additional work only with the Company's prior written approval.

SOFTWARE

22. GENERAL

22.1 In addition to the above, Article 23 applies if the Contract relates to the delivery, on any legal basis whatsoever, and/or installation of software, including software embedded in hardware.

TERMS AND CONDITIONS FOR THE PURCHASE OF GOODS AND SERVICES

23. DELIVERY AND INSTALLATION

- 23.1 The software shall be delivered entirely complete and ready for use on the agreed dates. The SUPPLIER shall inform the Company in its offer - and after the offer has been made - if a newer version of the software in question is placed on the market. Unless otherwise agreed in writing, if new software is delivered, the latest release of that software will be delivered. All tools that are required for sound operation, additional documentation, and application software will also be delivered, even if that has not been agreed explicitly.
- 23.2 If it follows from the Contract with the SUPPLIER, which includes these Conditions, that installation will also take place, the SUPPLIER will timely state the time that will be involved therein, as well as the consequences for the operation of the Company.
- 23.3 The SUPPLIER warrants that the software to be delivered is compatible with the automation and/or operation systems already present at the Company.
- 23.4 Any defect in the software will be repaired free of charge as soon as practically possible and in any case within 24 hours. If the software does not function properly, either in combination with other software, it will be considered faulty and the SUPPLIER will be considered to be in default.
- 23.5 If the software has been produced at the instructions of the Company ('custom-made-work'), all ownership rights will vest in the Company and, to the extent necessary, will be transferred at its first request. The source codes will be made available to the Company at its first request. The software produced will be stored only for the benefit of the Company and will be delivered only to the Company. The SUPPLIER may not use the 'custom-made-work' or the know-how created or developed at the instructions of the Company for orders issued by third parties or otherwise. For COTS or commercial software, SUPPLIER hereby grants Company for the full term of the legal protection a transferable, irrevocable, nonexclusive, worldwide, royalty-free license to sell, offer for sale, use, execute, reproduce, display, perform, or distribute (internally or externally) the software.
- 23.6 SUPPLIER shall disclose to Company in writing any free and open-source software ("OSS") that will be used or delivered in connection with this Contract and shall obtain Company's prior written consent before using or delivering such OSS in connection with this Contract. The Company may withhold such consent in its sole discretion.
- 23.7 SUPPLIER shall NOT under any circumstances use or deliver any OSS subject to any copy-left licenses.
- 23.8 SUPPLIER warrants that any software provided does not contain any of the following:
- a) lock, clock, timer, counter, cap, limit, or CPU serial number reference;
 - b) copy control, copy protection, or anti-replication feature or device;
 - c) SUPPLIER-controlled "keys," passwords, or tokens (except for temporary keys, passwords, and tokens described below);
 - d) intentionally defective or malicious code (e.g., back-doors, malware, spyware, time bombs, Trojans, viruses, worms, etc.); or
 - e) any other process, code or device not under the Company's control that can or may: i) lock, freeze, restrict, corrupt, disable, erase, or "re-possess" the software (or any function or feature therein) or any Company data, equipment, process, system or network; ii) require action, intervention, consent or permission by or from SUPPLIER or any other person or entity to operate the Software; or iii) allow others to gain access to or control of the Software or any Company data, equipment, process, system or network.
- 23.9 SUPPLIER shall defend, indemnify, and hold harmless Company, its customers, and suppliers from and against any claims, damages, losses, costs, and expenses, including reasonable attorney's fees, relating to use in connection with this delivery of OSS on any Order. No other provision herein, including but not limited to the indemnity clause, shall be construed to limit the liabilities or remedies of the parties for the use of OSS in connection with this Contract or for the delivery of OSS under this Contract.
- 23.10 If, after installation, SUPPLIER knows or becomes aware that the software contains or may contain such devices, SUPPLIER shall promptly and fully inform the Company in writing about such devices and the circumstances and conditions which cause such devices to operate. SUPPLIER shall promptly disable or remove the same from the software. In no event shall SUPPLIER insert, activate or operate, nor attempt to insert, activate, or operate any such device.
- 23.11 Unless agreed otherwise in writing, the upgrade of software and the above providing of tools, documentation and application software will be free of any extra charge.