

# Terms and Conditions of Purchase



## 1. General Information

- 1.1 These Terms and Conditions of Purchase shall apply to the legal relationship between the Supplier and DOLL Fahrzeugbau GmbH (hereinafter referred to as "DOLL"). If the order is confirmed by the Supplier in deviation from these Terms and Conditions, only these Terms and Conditions of Purchase shall apply, even if DOLL does not object to them. Deviating, conflicting or supplementary General Terms and Conditions of the Supplier shall only become part of the contract if and insofar as DOLL has expressly agreed to their validity in writing. This requirement of consent shall apply in any case, for example even if DOLL accepts the Supplier's services without reservation in the knowledge of the Supplier's General Terms and Conditions. If the Supplier does not agree with the above handling, he must expressly point this out immediately in a separate letter. In this case, DOLL reserves the right to withdraw the order. These Terms and Conditions of Purchase shall also apply to future transactions, even if no express reference is made to them.
- 1.2 All agreements, collateral agreements and amendments to the contract must be made in writing. This also applies to any cancellation of the written form clause.

## 2. Conclusion of Contract

- 2.1 The preparation of offers shall be free of charge and non-binding for DOLL. The Supplier must adhere to DOLL's enquiry in the offer with regard to quantity, quality of the goods and other details and, in the event of deviations, expressly point this out or make enquiries.
- 2.2 Orders shall be placed in writing. Verbal collateral agreements shall only be effective if they are confirmed in writing. The content of the orders shall be binding for the Supplier. The Supplier is obliged to confirm each order in writing within 5 (five) working days. Otherwise DOLL shall be entitled to cancel the order.
- 2.3 Any deviations from or additions to the order must be expressly noted in the order confirmation and require written confirmation from DOLL in order to become part of the contract. The unconditional acceptance of deliveries and services or a payment shall not constitute approval by DOLL.
- 2.4 If the Supplier has been informed by DOLL of the intended use of the deliveries or services or if this intended use is recognisable to the Supplier without express reference, the Supplier shall be obliged to inform DOLL immediately if the deliveries or services are not suitable to fulfil this purpose.
- 2.5 The DOLL order, material and item numbers must be quoted in all correspondence. If this information is not provided or not provided in full or if proper delivery notes are not available, DOLL shall be entitled to refuse acceptance of shipments without DOLL being in default of acceptance or purchase. The Supplier shall bear the costs resulting thereof.

## 3. Prices and Terms of Payment

- 3.1 The prices are fixed prices including packaging and customary documentation (e.g. operating and maintenance instructions, spare parts list) and exclude subsequent claims or price increases of any kind. Unless otherwise agreed, delivery shall be made DAP (INCOTERMS 2020) to the agreed delivery address.

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- 3.2 If possible due to the weight or dimensions, the contractual items to be delivered shall be shipped on EURO / DIN pallets. Deliveries of goods must always be accompanied by delivery notes or packing slips stating the DOLL order and article number, designation / description, number of items, dimensions (if applicable - in litres, kilograms, metres, etc.) and the type of packaging.
- 3.3 The Supplier shall submit proper invoices to DOLL separately for each order after the contractual delivery and / or service has been rendered, stating the order number, order date and the other details in accordance with § 14 Para. 4 No. 1-10 UStG. If this information is missing or if it is incorrect or incomplete, there shall be no default of payment.
- 3.4 Unless otherwise specified in the orders, DOLL shall make payments as follows:
- After receipt of the goods and invoicing: Within 14 days with 3% or within 60 days net, without deduction.
- 3.5 Payment periods shall commence on the date of receipt of the invoice and complete delivery of the goods with all required documents.
- 3.6 In the event of delivery before the agreed date, DOLL reserves the right to make payments in accordance with the delivery dates stated in the order.
- 3.7 In the event of defective delivery or performance, DOLL shall be entitled to withhold payment pro rata until proper fulfilment.
- 3.8 All payments shall be made only to the Supplier. The Supplier is not authorised to assign claims against DOLL to third parties.
- 3.9 The Supplier may only offset undisputed or legally established claims.

## **4. Delivery Time, Delay in Delivery**

- 4.1 Agreed dates and deadlines shall be binding. Decisive for compliance with the delivery date is the receipt of the goods or the acceptance of the manufactured work at the specified delivery address.
- 4.2 Early delivery and/or partial delivery by the Supplier shall require the express consent of DOLL. DOLL is, however, authorised to request the ordered goods in partial deliveries.
- 4.3 The Supplier shall notify DOLL in good time in writing of any imminent delay or exceeding of the agreed dates and deadlines, stating the reasons and the expected duration. The Supplier shall compensate any damages resulting from the breach of this obligation.
- 4.4 If the Supplier is in default of delivery, DOLL may demand compensation in the amount of 1.0% of the order value for each commenced week of the delay in delivery, but no more than 5% in total, irrespective of proof of the actual damage. The Supplier shall have the right to prove to DOLL that the delay has caused no damage at all or significantly less damage. DOLL reserves the right to prove higher damages and to assert further statutory claims, whereby the liquidated damages shall be offset against the damages for delayed performance.
- 4.5 The unconditional acceptance of the delayed delivery or unconditional acceptance of the delayed service shall not constitute a waiver of the aforementioned rights to which DOLL is entitled due to the delayed delivery or service.

- 4.6 Only the occurrence of events of force majeure may release DOLL from the obligation to comply with the agreed delivery time. DOLL must be informed of any impediments as soon as they occur or are foreseeable, stating at the same time the duration of the delay, so that other measures can be taken in good time if necessary. The stated reasons for hindrance must be proven to DOLL immediately upon request.

## **5. Transfer of Risk, Obligation to Inspect and Give Notice of Defects, Retention of Title**

- 5.1 The risk of accidental loss or accidental deterioration of the delivery item shall pass to DOLL upon receipt of the delivery or acceptance of the work. Cases of force majeure, strikes, lockouts and operational disruptions, etc. shall entitle DOLL to postpone receipt or acceptance accordingly.
- 5.2 An incoming goods inspection shall only take place with regard to externally recognisable damage and externally recognisable deviations in identity and quantity. Other defects shall be reported by DOLL in accordance with the circumstances of a proper course of business within a reasonable period after discovery. In this respect, the Supplier waives the defence of late notification of defects and undertakes to align his quality management system to the reduced incoming goods inspection.
- 5.3 Subject to other proof, the values determined by DOLL during the inspection shall be decisive for the number of pieces, weights and dimensions.
- 5.4 A prolonged or extended retention of title shall not be recognised.

## **6. Liability for Defects**

- 6.1 The Supplier guarantees that his deliveries and services are free of defects. In particular, he guarantees the careful and proper execution and processing as well as the faultless and operationally safe functioning of the delivery item and the materials used. A defect shall also be deemed to exist if the delivery item does not comply with the agreed purpose of use, the recognised rules of technology and the applicable statutory and official regulations, in particular the approval regulations, safety and occupational health and safety regulations as well as accident prevention regulations and the packaging and labelling regulations for orders of hazardous substances.
- 6.2 The same regulations also apply to the realisation of construction and assembly facilities as well as to any rectification of defects.
- 6.3 DOLL is entitled to the statutory claims for defects. All expenses for the rectification of defects shall be borne by the Supplier. In the event of delayed or failed subsequent fulfilment, DOLL shall be entitled, without setting a new deadline, to withdraw from the order in whole or in part, to reduce the price and/or to demand compensation for damages due to non-fulfilment and, if applicable, delay. Claims for compensation for futile expenses remain reserved.
- 6.4 In urgent cases, DOLL may, after giving notice and at the Supplier's expense, remedy the defect itself or have it remedied by a third party or procure a replacement from a third party.
- 6.5 The warranty period is 24 (twenty-four) months from commissioning or first use of the delivery item by DOLL, maximum 36 (thirty-six) months from handover of the delivery item or acceptance of the service, unless otherwise agreed.
- 6.6 In the event of subsequent improvements, new deliveries or rectification of defects in

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accordance with section 3, the limitation period shall recommence at the point in time at which the claims for subsequent fulfilment or subsequent delivery are completely fulfilled.

- 6.7 A notice of defects may still be lodged even if the delivery item has already been processed or delivered directly to the end customer. The return of justifiably rejected delivery items shall be at the risk and expense of the supplier, insofar as an obligation to return exists at all.
- 6.8 Acceptance of the delivery items in the supplier's workshops shall not release the supplier from liability for hidden defects that only become apparent during processing and subsequent use of the material.
- 6.9 The statutory provisions shall apply with regard to the limitation of liability.

## **7. Subcontracting**

The Supplier shall be liable for the products of its subcontractors (including any subcontractors specified by DOLL) as for its own products.

Insofar as customer-specific products are concerned, the subcontracting of orders to third parties is only permitted with the prior written consent of DOLL. Otherwise DOLL shall be entitled to cancel the order in whole or in part or to demand compensation.

## **8. Product Liability**

- 8.1 The Supplier shall indemnify DOLL on first demand against any claims by third parties arising from and in connection with product damage if and to the extent that the cause lies within the Supplier's sphere of control and organisation. In this context, the Supplier is also obliged to reimburse all expenses incurred by DOLL from or in connection with a product recall or other measures.
- 8.2 The Supplier undertakes to take out and maintain product liability insurance with a coverage amount customary in the industry. If DOLL is entitled to further claims for damages, these shall remain unaffected.

## **9. Property Rights**

- 9.1 The Supplier warrants, irrespective of fault, that its deliveries and services are free of any defects of title, in particular free of third-party rights. In the event of an infringement of such property rights, the Supplier shall be obliged to compensate DOLL or its customers for all damages incurred. Furthermore, the Supplier shall be obliged to indemnify DOLL upon first request from all claims which third parties assert against DOLL on the basis of or in connection with the delivery or its use. Further legal claims remain unaffected.
- 9.2 The limitation period for claims arising from infringements of property rights shall be 10 (ten) years from the handover of the delivery item or acceptance of the service.
- 9.3 In the event of infringement, DOLL is also entitled to obtain the necessary authorisation for delivery, commissioning, use, resale etc. of the delivery item from the holder of such property rights at the Supplier's expense.

## **10. Materials Supplies**

- 10.1 Material supplied by DOLL, which the Supplier receives for modification, shall remain the property of DOLL and may only be used for DOLL orders. The Supplier must store these items separately and free of charge, label them as DOLL property and manage them. The Supplier shall be liable for loss, depreciation and misuse and must take out appropriate insurance for this case at his own expense. DOLL shall be entitled to all claims even if the Supplier is not accused of any material breach of contract.
- 10.2 The processing or transformation of material shall be carried out for DOLL. DOLL shall become the direct owner of the new or remodelled item in proportion to the production status. If this is not possible for legal reasons, the Supplier and DOLL shall agree at the time the order is placed that ownership of the new or remodelled item shall pass to DOLL at the time of its creation. The Supplier shall store the new or remodelled item free of charge with due commercial diligence.

## **11. Spare Parts**

- 11.1 The obligation to deliver spare parts shall end 10 years after delivery of the last delivery item.
- 11.2 If the Supplier intends to discontinue the production of these spare parts, he is obliged to inform DOLL at least 1 year in advance. The Supplier shall support DOLL in the selection of suitable alternatives and ensure the option of a "Last Time Buy" during the aforementioned period in order to cover DOLL's spare parts requirements until the expected end of the product life cycle.

## **12. Obsolescence**

- 12.1 The Supplier shall inform and support DOLL proactively and promptly in the early detection of obsolescence.
- 12.2 In the event of discontinuation or modification of delivery items or their components, DOLL must be informed immediately by submitting the manufacturer's letter of discontinuation. Both the Product Termination Notification ("PTN") and the Product Change Notification ("PCN") must be sent to DOLL for all delivery items ordered within the last 24 months, regardless of the last delivery date. The following minimum times apply to the corresponding notifications:

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- PTN: 12 months in advance
- PCN: 6 months in advance.

DOLL and the Supplier may only deviate from the above-mentioned minimum times after prior written agreement.

- 12.3 The delivery of modified delivery items shall in any case require the prior express written consent of DOLL. This can take place, for example, within the framework of a new initial sample approval. All costs incurred by DOLL as a result of these changes, e.g. qualification costs, change costs, testing expenses, development costs, documentation adjustments, costs of a new initial sample approval, etc., shall be borne by the Supplier. The above provisions shall apply accordingly to the change of procurement sources for primary material and/or components as well as the change of the production site or significant changes to the manufacturing process at the Supplier.

## **13. Modifications**

- 13.1 DOLL may demand technical changes to the delivery item even after conclusion of the contract, insofar as this is reasonable for the Supplier. In the event of this contractual amendment, the effects on both parties, in particular with regard to additional or reduced costs and delivery dates, must be taken into account appropriately.
- 13.2 All changes requested by the Supplier with an effect on the "fit, form and function" of the delivery items, which have an influence on the interfaces, the documentation, spare parts already supplied, the price, the specification or the delivery date, shall require the prior written consent of DOLL.

## **14. Non-disclosure**

- 14.1 DOLL's order shall be treated confidentially. The Supplier undertakes to treat all non-public commercial and technical details that become known to him through the cooperation with DOLL as business secrets.
- 14.2 The Supplier shall be obliged, at the same time for all employees involved in the cooperation or third parties consulted, to use all documents, experience and other information received within the scope of the cooperation only for the activity within the scope of the cooperation, to treat them strictly confidentially and not to make them accessible to any unauthorised third party. In the event of a breach of the confidentiality obligations, the Supplier shall be liable for all direct and indirect damages resulting therefrom.
- 14.3 The Supplier may only mention, depict or otherwise use DOLL's company name, logo or trademarks in advertising materials, references or other publications with DOLL's prior written consent.



## **15. Devices, Tools and Models**

- 15.1 Drawings, models, moulds, samples, devices, tools or software provided by DOLL or produced at DOLL's expense shall remain DOLL's property or shall become DOLL's property upon production and must be clearly marked as DOLL's property. The reproduction of such objects is only permitted within the scope of operational requirements and copyright regulations. They may neither be passed on to unauthorised third parties nor used for purposes other than the fulfilment of the order. They must be secured against unauthorised inspection or use. Subject to further rights, DOLL may demand their surrender as soon as the Supplier violates his obligations. Subcontractors shall be obligated accordingly.
- 15.2 The Supplier shall store the aforementioned items carefully and insure them against fire, theft or other loss at his own expense. The Supplier shall return them to DOLL immediately after completion of the order without being requested to do so and without retaining copies, duplicates, etc.
- 15.3 If DOLL has agreed to assume the costs of tools, these tools shall become the property of DOLL immediately after payment of the full or, if agreed, proportionate costs. They shall remain with the supplier on loan until the order has been completed, unless otherwise agreed. This shall also apply to tools whose costs have been included in the price of the ordered items as agreed. The tools and equipment available in this way are to be kept ready for use by the supplier free of charge and returned on request after completion of the order.

## **16. Environmental protection, European Chemicals Regulation REACH**

- 16.1 The supplier is obliged to provide its services in constant compliance with the relevant environmental protection regulations and standards and in accordance with the state of the art. In doing so, he shall select environmentally friendly and recyclable input materials, low-emission and low-pollutant designs that are easy to dismantle and disassemble, as well as energy- and resource-saving solutions.
- 16.2 The supplier undertakes to comply at all times with all applicable standards of national or European law, in particular the requirements of Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).
- 16.3 The supplier undertakes to fulfil all obligations applicable to it with regard to market access and the marketability of the substances, mixtures and/or products supplied by it. This includes in particular the obligations regarding registration, restriction and authorisation in accordance with the REACH Regulation. The Supplier warrants not to deliver any goods to DOLL that may not be placed on the market in accordance with the REACH Regulation. The Supplier is obliged to ensure through suitable contractual arrangements with his contractual partners that they also fulfil all relevant obligations.
- 16.4 If the Supplier has not obtained or does not wish to obtain a necessary registration or authorisation himself, he assures that he has ensured that the necessary registration or authorisation obligations are fulfilled in due form and time by another company in his supply chain. The Supplier also assures to inform DOLL immediately, at least in text form, if it becomes apparent to him that a substance will not be registered or authorised within the relevant period for the respective substance or that a registration or authorisation obtained by another company will lapse.
- 16.5 The Supplier shall fulfil its information obligations under Section 31 (delivery of a safety data sheet) or Section 33 (information on REACH candidate substances contained in the product) of the REACH Regulation even without a special request and shall automatically provide

DOLL with the relevant information immediately after conclusion of the contract, unless otherwise requested.

- 16.6 The obligations of the Supplier mentioned in Sections 16.2 - 16.5 are essential contractual or cardinal obligations, compliance with which is essential for the fulfilment of the contract. If the Supplier does not fulfil his obligations in this respect, or does not fulfil them sufficiently or in good time, the Supplier shall indemnify DOLL against all claims for damages that DOLL incurs due to the Supplier's failure to fulfil these obligations.

## 17. Export Control Regulations

- 17.1 The Supplier shall inform DOLL, without being requested to do so, with his order confirmation if the delivery item to be delivered is subject to legal requirements that DOLL must observe when shipping or exporting the delivery item. The information must be indicated in writing on the order confirmation of the respective item. Depending on the legal basis, the following must be indicated:
- If the delivery item is listed in the applicable EC Dual Use Regulation, EC Firearms Regulation or in the national German export lists: the corresponding list numbers.
  - If the delivery item is subject to the "U.S. Export Administration Regulations" (EAR): the "Export Control Classifications Number" (ECCN) according to the "U.S. Commerce Control List".
  - If the delivery item is subject to the U.S. International Traffic in Arms Regulations (ITAR): the United States Munitions List Number (USML).
- 17.2 If the respective item of the delivery item is not subject to export control regulations, this must also be indicated in writing for each item.
- 17.3 Furthermore, the supplier must indicate the statistical goods number (customs tariff number CN) for each delivery note item and, if required, provide a supplier's declaration or long-term delivery note.
- 17.4 If there are changes to the delivery item or to the aforementioned foreign trade data, the Supplier must inform DOLL before delivery. DOLL reserves the right to take recourse against the Supplier in the event of incorrect or missing information on foreign trade data and resulting damages.

## 18. Supplementary Provisions in the Case of Public Clients

The Supplier agrees that the Federal Office of the German Federal Armed Forces Equipment, Information Technology and Utilisation (BAAINBw) shall be granted the right of access to its production facilities for the purpose of quality inspection - with prior notice and during normal business hours - if the Supplier provides services to DOLL or delivers items which DOLL - recognisably for the Supplier - uses for the provision of services to legal entities under public law of the Federal Republic of Germany.

## 19. Compliance

- 19.1 The contracting parties are committed to a corruption-free business environment. They undertake to refrain from corrupt behaviour and other punishable acts and to take all necessary measures to prevent them. In particular, they undertake to take precautionary measures against the cases of serious misconduct listed below:



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- a) Criminal offences in business transactions, in particular money laundering, fraud, breach of trust, forgery of documents, falsification of technical records, falsification of evidential data, constructive false certification, suppression of documents and agreements restricting competition in tenders.
- b) Offering, promising or granting advantages to domestic or foreign civil servants, public officials or persons with special public service obligations who are involved in the award or execution of contracts.
- c) Offering, promising or granting or demanding, allowing oneself to be promised or accepting advantages from business partners in return for unfair favouritism in national or international business dealings.
- d) The betrayal or obtaining of business and trade secrets as well as the unauthorised use of documents.
- e) Violations of national and European competition and antitrust law.

19.2 In the event of a breach of the obligation under Section 19.1 of these Terms and Conditions of Purchase, the other contracting party may terminate the contract without notice.

19.3 In the event of a breach of the obligation under Section 19.1 of these Terms and Conditions of Purchase, a contracting party may exclude the breaching contracting party from the conclusion of future contracts.

## **20. Miscellaneous**

- 20.1 The Supplier's personal and company-related data transmitted or otherwise disclosed within the scope of the contractual relationship shall be electronically stored and processed by DOLL in consideration of the purpose of the contract and for the fulfilment of DOLL's business purposes.
- 20.2 Should individual provisions of these Terms and Conditions of Purchase be or become invalid, for whatever reason, or should there be a gap that needs to be filled, this shall not affect the validity of the remaining provisions of these Terms and Conditions of Purchase. The contracting parties are obliged to replace the invalid provision with a provision that comes as close as possible to the economic purpose of the invalid provision.
- 20.3 If the Supplier ceases to make payments or if insolvency proceedings are instituted against its assets
- 20.4 Unless expressly agreed otherwise, the place of fulfilment for the delivery obligation is the agreed destination. The place of fulfilment for all other obligations of both contractual partners is the registered office of DOLL.
- 20.5 The place of jurisdiction is Oppenau.
- 20.6 The contract is subject to the law of the Federal Republic of Germany under exclusion of the conflict of laws, the uniform UN Convention on Contracts for the International Sale of Goods or other conventions on the law governing the sale of goods. Insofar as INCOTERMS have been agreed, the INCOTERMS as amended shall apply to the interpretation of delivery clauses.

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Name, position

Oppenau,

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Place, date

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DOLL Fahrzeugbau GmbH

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Name, position

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Place, date

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Supplier