

Movement by Perfection

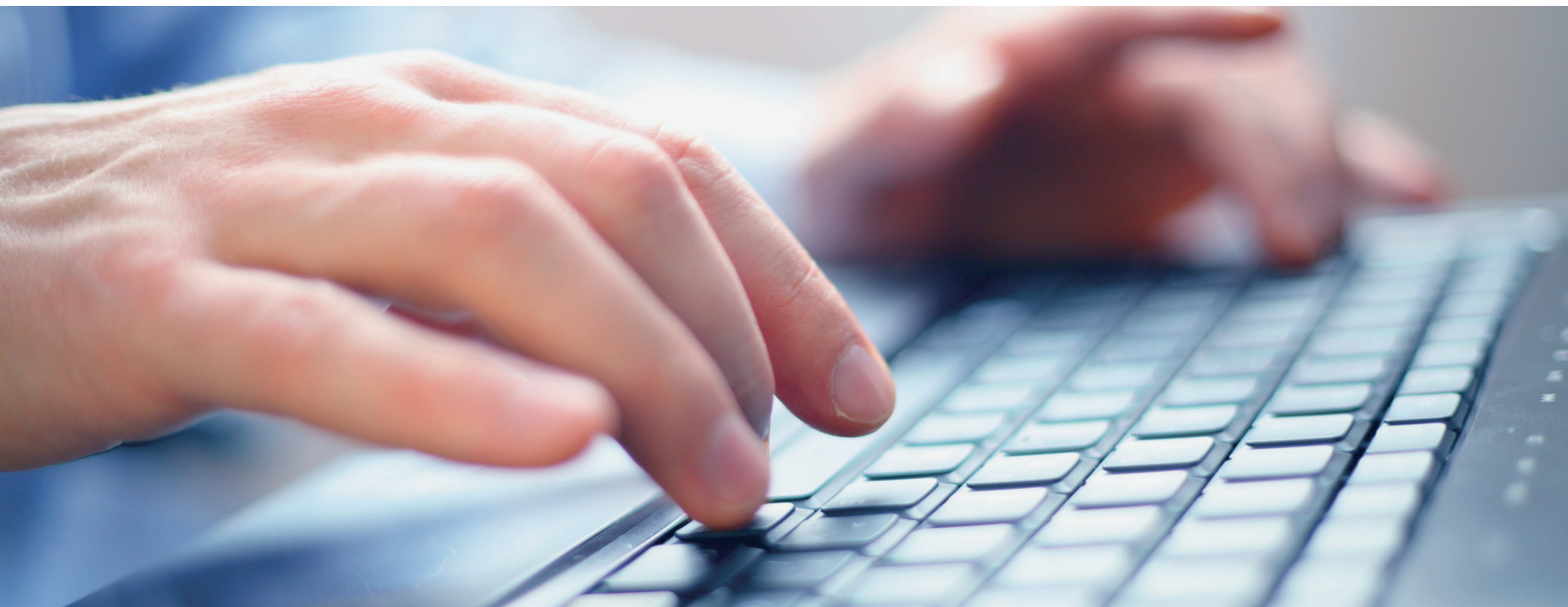


**The Royal League** in ventilation, control and drive technology

# General Terms and Conditions of Purchase

November 2023

Please note that this is an English translation of the original French version. Both language versions shall have the same legal effect. In case of any conflict, the original French version shall prevail.



## Content

Section 1	
General – Scope of application	3
Section 2	
Purchase orders	3
Section 3	
Price, delivery and transfer of risk	3
Section 4	
Export control and customs	4
Section 5	
Reporting obligations with regard to conflict minerals	5
Section 6	
Invoicing and payment	5
Section 7	
Acceptance and delayed delivery	5
Section 8	
Legal and contractual warranties	6
Section 9	
Product liability	6
Section 10	
Guarantee of peaceful possession	6
Section 11	
Social responsibility and code of conduct	6
Section 12	
Final provisions	7



## Section 1 General – Scope of application

1. These General Terms and Conditions of Purchase (hereinafter 'GTCP') are an integral part of any purchase order for products (hereinafter 'Products') placed by ZIEHL-ABEGG with Supplier (hereinafter collectively the 'Parties'). Their acceptance is an essential condition of the formation of the purchase order (hereinafter 'the Contract'). The GTCP take precedence over the general terms and conditions of sale of Supplier, even if ZIEHL-ABEGG accepts delivery without reservation, with knowledge of conflicting or different conditions on the part of Supplier.
2. The GTCP apply to future transactions concluded with Supplier.

## Section 2 Purchase orders

1. In order to be valid, purchase orders must be placed in writing, by fax or by email. They must be confirmed by Supplier, unless a provision providing for the waiver of this order confirmation has been agreed. ZIEHL-ABEGG reserves the right to cancel its order without being liable for any compensation if no order confirmation has been received within fourteen days of the date on which the order was placed.
2. Compliance by Supplier with the terms of the purchase order, specifically with regard to deadlines, dates, and the conformity and performance of the Products, constitutes an absolute obligation. Supplier also has a duty to provide advice and information.
3. ZIEHL-ABEGG retains all rights of ownership and copyrights to illustrations, drawings, calculations, and other documents; these are not permitted to be made accessible to third parties without ZIEHL-ABEGG's express consent. The illustrations, drawings, calculations and other documents may be used solely for production in conformity with the purchase order that has been placed and must be returned to ZIEHL-ABEGG upon request. They must not be disclosed to third parties. All rights of retention are excluded with regard to these documents.
4. Estimates and quotations are prepared free of charge by Supplier for the benefit of ZIEHL-ABEGG.
5. Supplier undertakes to refrain from disclosing any commercial or industrial secrets, documents or information communicated by ZIEHL-ABEGG. Supplier is obliged to obtain a written undertaking to adhere to this confidentiality obligation from any subcontractors that it engages.
6. The confidentiality obligation will continue in force beyond the term of the Contract. Should Supplier become aware that a non-authorised third party is in possession of confidential information

or that a confidential document has been lost, it must inform ZIEHL-ABEGG of this without delay.

7. Supplier undertakes to treat the conclusion of the Contract as confidential, and must obtain prior, written consent from ZIEHL-ABEGG if it wishes to cite it as a reference.
8. ZIEHL-ABEGG is at liberty to make changes to its purchase order even after the Contract has been concluded, provided that this remains reasonable for Supplier. Both Parties must give due consideration to the consequences – particularly relating to costs and delivery dates – of modifying the Contract.

## Section 3 Price, delivery and transfer of risk

1. The prices negotiated are fixed prices and exclude all price supplements. If the prices are not quoted in the purchase order, they must be indicated in the order confirmation. In this event, the Contract will be deemed to have been concluded by ZIEHL-ABEGG only after ZIEHL-ABEGG has given its written consent to the prices.
2. Said prices include the costs of packaging and transportation to the address specified by us or to the place of use, as well as any customs fees and costs associated with customs clearance. Unless otherwise provided, purchases will be delivered to the place of delivery indicated, having been cleared for import and with all applicable taxes and duties paid (DDP – Incoterms® 2010).
3. The purchase order number must be shown on the shipping advices, consignment notes, invoices, and all correspondence exchanged between the Parties.
4. Each separate package must bear the marks and inscriptions specified in the purchase order and, in all cases, ZIEHL-ABEGG's order number and place of delivery. They must also be accompanied by a delivery note.
5. The delivery note must state the following: the total quantity of Products delivered and all information specified in the purchase order, in particular the order number and place of unloading; the individual packaging (e.g. pallets, wire boxes, containers, large boxes, etc.); the Product contained therein (ZIEHL-ABEGG reference, Supplier references and designation) and the quantity (bags, rolls, packets, etc.) as well as the drawing number according to the technical specification. ZIEHL-ABEGG may make further requests in this regard as its logistics system evolves.
6. Supplier is accountable for all consequences ensuing from its failure to comply with this obligation, unless it is able to prove that it is not responsible in this regard.

7. ZIEHL-ABEGG will only take delivery of the quantity and items ordered on the date of delivery that has been agreed. Excess or short deliveries may only be accepted with ZIEHL-ABEGG's prior, written consent.
8. Ownership and risk will be automatically transferred to ZIEHL-ABEGG on the date on which the goods are received. Only those reservation of title clauses that have been accepted and signed by ZIEHL-ABEGG are exempt from this principle.
9. Packaging must be appropriate for the method of transport used and for the Product transported, in accordance with the regulations in force or, in the absence of such regulations, with industry standards, such that no damage is incurred in transit. The packaging and filling materials used must be environmentally sustainable even at the point of recycling. If ZIEHL-ABEGG is charged for packaging by way of exception, it is entitled to return said packaging carriage paid against reimbursement of the fees agreed with Supplier.

#### Section 4 Export control and customs

1. Where the Products are transported across international borders, Supplier must submit the customs invoice necessary for custom clearance upon shipment. The invoice must be issued in French or in English and must contain the following information: name and telephone numbers of the contact persons at ZIEHL-ABEGG and Supplier who are familiar with the transaction; ZIEHL-ABEGG's order/Contract number, ZIEHL-ABEGG's account item for the Contract, validation number (in the event of blanket orders), individual component numbers and detailed description of goods; purchase price per item stated in the currency applicable to the transaction; quantity; INCOTERM or Incoterms® 2010 and designated location, in addition to the country of origin and customs tariff number of the Products. In addition, the entirety of the Products and services provided by ZIEHL-ABEGG to Supplier for production of the Products is not included in the purchase price and must be identified separately on the invoice (e.g. consigned materials, tools, etc.). Every invoice must also include the relevant order number or other references to the consigned Products and list all discounts or reductions offered on the basic price that were taken into consideration when determining the invoice value.
2. If an agreement to ease trade and customs regulations ('trade agreement') exists between the destination country for the Products and the country of Supplier, Supplier undertakes to cooperate with ZIEHL-ABEGG to check the eligibility of the Products for programmes of benefit to ZIEHL-ABEGG and to supply ZIEHL-ABEGG with the necessary documentation (such as the EUR1 certificate, preferential certificate of origin, FAD, NAFTA certificate of origin, etc.) in accordance with the relevant programme for preferential customs treatment (e.g. EEA, Lomé Convention, EU/Mediterranean partnerships, GSP, EU-Mexico Free Trade Agreement, NAFTA, etc.) to allow the Products to enter the destination country duty-free or subject to preferential treatment. In the event of an existing trade agreement or programme for preferential customs treatment that is applicable to the Contract and of benefit to ZIEHL-ABEGG, Supplier undertakes to support ZIEHL-ABEGG in obtaining these benefits. If Supplier does not provide the correct documentation or fails to meet its obligation to provide necessary, timely support, Supplier undertakes to indemnify ZIEHL-ABEGG for any costs, fines, contractual penalties or charges incurred by the latter as a consequence. Supplier undertakes to inform ZIEHL-ABEGG immediately of any errors in the documentation.
3. Where required, Supplier must comply with the ICS (Import Control System) customs procedure and promptly provide the custom authorities with information of particular importance for customs clearance in the form of the requisite ENS declaration (Entry Summary Declaration).
4. All transactions and deliveries must meet the requirements of the applicable export control laws and ordinances.
5. Supplier undertakes to inform ZIEHL-ABEGG in its commercial documents of any obligation to provide permits for the export/re-export of its Products in accordance with the export and customs regulations of France, Europe and the United States, and also in accordance with the export and customs regulations of the country of origin. To this end Supplier must, in particular, provide the following information in its offers, order confirmations and invoices:
  - ▣ The EORI number (Economic Operator Registration and Identification scheme)
  - ▣ The ECCN (Export Control Classification Number) for US Products in accordance with the US Export Administration Regulations (EAR)
  - ▣ The origin of its Products in trade policy terms and the components of the Products, including technology and software
  - ▣ Statement as to whether the Products have been transported through the United States, manufactured or stored in the United States, or manufactured using US technology
  - ▣ The commodity classification code (HS code) for its Products
  - ▣ The name of a contact person at Supplier's company who can deal with any questions we may have
6. At our request, Supplier undertakes to notify ZIEHL-ABEGG in writing of all additional export-related information on the Products and their components and to inform ZIEHL-ABEGG immediately in writing, and prior to the delivery of the items concerned, of any changes to the above data.
7. If applications for export licenses have to be submitted, Supplier undertakes to provide ZIEHL-ABEGG with a copy of these documents, including all significant information relating to the delivery, in particular any ancillary provisions pertaining to ZIEHL-ABEGG and to the re-exports.
8. Upon request, Supplier will provide ZIEHL-ABEGG with the certificates of origin, particularly for Products with preferential originating status, and all the other necessary documents and information, in accordance with the European directives relating to external trade.



9. If Supplier's long-term declarations turn out to be insufficient or incorrect, Supplier will be obliged to send ZIEHL-ABEGG, at the latter's first request, information sheets on the origin of the Products that are correct, complete, and approved by the customs authorities.
  10. If ZIEHL-ABEGG or one of its customers is subsequently held to account by a customs authority or has to bear the financial consequences due to an erroneous indication of origin provided by Supplier, Supplier will assume full liability for this.
  11. Supplier must request and obtain, in a timely manner and at its own expense, all the export authorizations required by the customs authorities, and all the approvals, agreements and clearances necessary to ensure that the goods will be delivered in time and that ZIEHL-ABEGG will be able to use/re-use them in accordance with the purchase order.
2. Supplier must ensure that its invoices contain the details required by the French General Tax Code, Annex 2, Articles 242h and 242h A, as well as the order and supplier numbers. Invoices not submitted in due form will only be deemed to have been received once they have been rectified. ZIEHL-ABEGG reserves the right to pay the invoice on the agreed due date, even in the event of early delivery.
  3. Payment will be made in accordance with the Law on the Modernisation of the Economy (LME) within a maximum of 60 calendar days after the invoice date.
  4. If it was agreed when the purchase order was placed that certificates of material tests or other documents are necessary, these constitute an integral element of the purchase order and must reach ZIEHL-ABEGG on or before the date on which the invoice is received.
  5. ZIEHL-ABEGG retains the option to make use of the right to compensation provided for in Article 1290 et seqq. of the French Civil Code.

## Section 5 Reporting obligations with regard to conflict

1. Supplier undertakes to comply with the various regulations adopted by the Securities and Exchange Commission (SEC) regarding conflict minerals. Supplier will find out about the compliance guidelines defined in the Conflict Minerals Final Rule on the SEC's website.
2. Supplier will meet, in good time, any reporting obligations that arise and are incumbent upon ZIEHL-ABEGG, as the case may be, by implementing all necessary measures.
3. Where applicable, Supplier undertakes to comply with the environmental requirements relating to restrictions or reporting obligations for certain substances (cf. in particular EU Regulation 1907/2006 (REACH) and Directive 2011/65/EU (RoHS2) in their applicable versions).
4. If the above-mentioned directives and regulations would occasion changes in the availability or use of materials, parts, components, finished products or packaging, Supplier must inform ZIEHL-ABEGG of this without undue delay.
5. In the event of non-compliance with this section and for any transmission of erroneous documents, Supplier will indemnify ZIEHL-ABEGG against and hold it harmless from all proceedings instituted by third parties and undertakes to compensate it for any loss or damage suffered.

## Section 6 Invoicing and payment

1. After delivery, Supplier should email its invoice, in PDF form and accompanied by the relevant documents, to the following address: [compta\\_accounting@ziehl-abegg.fr](mailto:compta_accounting@ziehl-abegg.fr). Invoices may also be sent as A4 documents to ZIEHL-ABEGG, 719 Rue de la Gare, 01800 Villieu, France. Invoices sent by fax will not be processed.

## Section 7 Acceptance and delayed delivery

1. Acceptance is the act whereby ZIEHL-ABEGG declares acceptance with or without reservation of the Products and/or services forming the subject matter of the purchase order. The observations made during acceptance and mentioned in a protocol are enforceable against Supplier. If, during acceptance, it appears that Supplier has not met its contractual or legal obligations, ZIEHL-ABEGG reserves the right to refuse the Products, without prejudice to any other measures that it may have to take.
2. All goods not forming the subject matter of a purchase order will be routinely refused, unless ZIEHL-ABEGG has given its prior, written consent.
3. The delivery date specified in the purchase order is binding.
4. Supplier undertakes to inform ZIEHL-ABEGG in writing without undue delay should unforeseen events occur, or should it anticipate any such events, which would prevent it from complying with the agreed delivery date. Supplier must also inform ZIEHL-ABEGG of the expected duration of the delay.
5. Other than in cases of force majeure, there are no acceptable grounds attributable to Supplier for exceeding the delivery deadline. In the event of any form of delayed delivery and without prejudice to its other rights, ZIEHL-ABEGG reserves the right to impose penalties calculated on the basis of 0.2 per cent of the total value of the purchase order per day of delivery, with a three-day period of grace and maximum penalty of eight (8) percent.
6. Where deliveries are delayed by more than 20 days, ZIEHL-ABEGG is automatically entitled to cancel the order.

7. Supplier may assert a failure on the part of ZIEHL-ABEGG to meet its obligations only if a formal notice has been issued and has gone unheeded.
8. ZIEHL-ABEGG is released from its obligation to accept delivery and is authorised to terminate the Contract in cases of force majeure or social conflict.

## Section 8 Legal and contractual

1. Supplier warrants that the design of the Product and services as a whole meets the latest technical standards and complies with the legal provisions in force, as well as with the directives and regulations laid down by professional organisations and associations, as appropriate.
2. Supplier must implement a quality control system in line with the latest technical standards and suitable for the type and scale of the Products (appropriate quality management system such as DIN EN ISO 9000 et seqq.), and must provide ZIEHL-ABEGG with proof of this on request. A quality control agreement can also be concluded between the Parties. ZIEHL-ABEGG reserves the right to perform on-site testing to check the efficacy of the quality management system.
3. Within the scope of what is technologically and economically possible, Supplier undertakes to utilize environmentally-friendly procedures and materials for its Products, packaging materials and services, whether manufactured or carried out by Supplier itself, or by a sub-contractor or third party. Supplier is solely responsible for any losses or damage resulting from a breach of its legal waste disposal obligations. Supplier will provide ZIEHL-ABEGG with an inspection certificate for the delivered goods at the latter's request.
4. ZIEHL-ABEGG is fully entitled to exercise the statutory warranty for hidden defects as defined in Article 1640 et seqq. of the French Civil Code.
5. In the event of defects, ZIEHL-ABEGG is authorised to demand that Supplier either rectify the defect or deliver a new Product. Supplier will bear the costs and risk of returning the defective Products as well as those costs incurred by ZIEHL-ABEGG due to their defectiveness (in particular costs of processing, transport, infrastructure, labour, staffing and materials). ZIEHL-ABEGG must be indemnified against all losses or damage suffered directly or indirectly as a result of the Product's defect.
6. Should Supplier fail to honour its commitments within a reasonable period set by ZIEHL-ABEGG, ZIEHL-ABEGG is entitled to carry out the necessary measures itself or to have these performed by a third party, in either case at Supplier's risk and expense and without this affecting the guarantee. In urgent cases, ZIEHL-ABEGG is entitled to repair the defect itself at Supplier's expense.

7. Apart from in cases where the law or an express variation by agreement stipulates otherwise, the term of the warranty period is thirty-six months, starting on the date of acceptance. The exercising of the warranty has the effect of suspending its term, which will be prolonged by a period equal to that of the suspension. The warranty will once again take effect when the repaired Product is returned to ZIEHL-ABEGG. All items of the purchase order supplied under the warranty will benefit from the same warranty as that provided for the subject matter of the purchase order.

8. Supplier gives its assurance that ZIEHL-ABEGG is entitled to every warranty pertaining to the Products, exactly as if it had ordered them directly from the manufacturer. Supplier makes over to ZIEHL-ABEGG any claims it may have against the manufacturer(s) in the event that the Products are defective.

## Section 9 Product liability

1. In the event of losses or damage as a result of a defective Product, Supplier undertakes to indemnify ZIEHL-ABEGG, at the latter's first request, against all third-party claims for damages. Within the scope of this liability, Supplier also undertakes to reimburse any other costs incurred by a recall action carried out by ZIEHL-ABEGG. ZIEHL-ABEGG will inform Supplier of the content and extent of the recall measures to be carried out – as far as this is both possible and reasonable – and will offer it the option to comment in this regard.
2. Supplier undertakes to take out product liability insurance including an appropriate level of cover for the risk of recall, namely an insured sum of at least €5 million for each instance of personal injury/damage to property for the entire term of the Contract, and remaining in force until the expiration of the limitation period. Supplier must, upon request, promptly furnish ZIEHL-ABEGG with written proof of the conclusion and maintenance of this insurance.

## Section 10 Guarantee of peaceful possession

1. Supplier gives its assurance that all of the Products are free of third-party property rights and in particular, that the delivery and use of the delivery items does not infringe patents, licenses or other third-party rights.
2. Supplier will, upon first request, indemnify ZIEHL-ABEGG and its customers against and hold them harmless from all and any proceedings instituted by third parties relating to a breach of their rights, and will bear the associated costs incurred.

## Section 11 Social responsibility and Business Partner Code of Conduct

1. This section applies to relationships of any kind maintained between ZIEHL-ABEGG et the entirety of its commercial partners (own supply chain, intermediaries, employees, competitors, or public services).



2. Supplier undertakes in particular to comply with the national laws and directives in force in the various countries.
  3. Supplier confirms within the framework of its social responsibility that human rights have been complied with and labour standards upheld during the manufacture of its Products and the provision of its services, that discrimination, forced labour and child labour have not been authorised, and that any negative impact on humans and/or the environment has been avoided.
  4. Supplier confirms that it does not tolerate any form of corruption and does not accept any proposition of this type.
  5. Supplier is strictly prohibited from making any gifts whatsoever to ZIEHL-ABEGG's employees. Occasional customary gifts or invitations of a low pecuniary value constitute an exception to this rule.
  6. The validity of the Business Partner Code of Conduct (BPCoC) and the obligation to observe the specific requirements and obligations regulated therein are expressly referred to in a supplementary manner. The BPCoC can be found in the ZIEHL-ABEGG download area at [www.ziehl-abegg.com/fr/service](http://www.ziehl-abegg.com/fr/service). The supplier supports ZIEHL-ABEGG in the implementation of legally prescribed due diligence processes through active and truthful participation and involvement. In particular with regard to the human rights and environmental expectations of ZIEHL-ABEGG expressed in the BPCoC, the following applies - against the background of the implementation of ZIEHL-ABEGG's obligations under the German Act on Corporate Due Diligence in Supply Chains:
    - ZIEHL-ABEGG is entitled to request further information on a case-by-case basis with regard to compliance with the law and the requirements listed in the BPCoC and to verify compliance - at most once per calendar year, unless there is a justified reason for verification - after prior notice and within normal business hours at the supplier's premises itself or by external experts in accordance with the respective applicable legal provisions on site. In any inspection, the justified confidentiality interests of the supplier shall be taken into account and business processes shall not be impaired as far as possible.
    - The supplier is obligated to ensure compliance with the principles and obligations regulated in the ZIEHL-ABEGG BPCoC by means of corresponding contractual requirements vis-à-vis its direct suppliers and to obligate them to pass on the obligation to comply with the principles along the supply chain relevant to ZIEHL-ABEGG to their direct suppliers for their part.
- The supplier shall design and implement suitable compliance training measures in which the managers and employees of its company are provided with an appropriate level of knowledge and understanding of the principles regulated in ZIEHL-ABEGG's BPCoC and the applicable laws.
  - If the supplier violates the principles and obligations contained in the BPCoC to a considerable extent, ZIEHL-ABEGG is entitled - irrespective of any other contractual remedies - to terminate the business relationship with the supplier by extraordinary notice in accordance with the statutory provisions applicable to the contractual relationship (in particular on setting deadlines and issuing warnings). It is at the discretion of ZIEHL-ABEGG to refrain from termination and to instruct the supplier to immediately draw up and implement a concept to end or minimize the violation and to avoid future violations. During the period of implementation of the concept, ZIEHL-ABEGG is free to temporarily suspend the business relationship.

## Section 12 Final provisions

1. Supplier is not authorised to assign a part or all of this Contract to third parties without our prior, written consent; this also applies in the event of any awards that Supplier intends to make to sub-contractors or sub-suppliers.
2. If Supplier ceases payments, a bankruptcy receiver is appointed, or insolvency proceedings are instituted against its assets, ZIEHL-ABEGG is entitled to withdraw completely or partially from the Contract.
3. The GTCP are prepared in French. If the Contracting Parties use another language, the French version will prevail.
4. The competent court is the court with jurisdiction in the location of ZIEHL-ABEGG's registered office. ZIEHL-ABEGG nevertheless reserves the right to initiate legal proceedings at the location of Supplier's registered office.
5. The contractual and legal relations between the Contracting Parties are governed by French law; the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

ZIEHL-ABEGG France SARL 719, Rue de la Gare - BP 8 - F 01800 VILLIEU - France - Tel : + 33 (0) 474 460 620 - Fax : + 33 (0) 474 611 958 - E-mail : [societe@ziehl-abegg.fr](mailto:societe@ziehl-abegg.fr) - Web : [www.ziehl-abegg.fr](http://www.ziehl-abegg.fr) - N° TVA : FR 51 320 527 492 - RCS BOURG EN BRESSE B 320 527 492 - S.A.R.L. au Capital de 1 479 660 €

QUAL 11/1 DU 1/11/2016



# The Royal League

