

## **GENERAL TERMS AND CONDITIONS OF PURCHASE (hereinafter "GTP") of Lantal Textiles SA**

### **I. Scope, incorporation by reference**

1. The legal relations between Supplier and LANTAL shall be governed exclusively by the Terms and Conditions set forth below and by any other written agreements the parties may conclude separately. No amendments or addenda to these Terms and Conditions shall be valid unless made in written form.
2. The Supplier's general terms and conditions of business shall not be deemed incorporated by reference into the parties' contract, even where LANTAL has failed to expressly object to them.

### **II. Enquiries and orders**

1. The Supplier will be asked by means of an enquiry to submit free of charge an offer of its commercially most optimal terms. In so doing, it shall adhere to the details and specifications described in the enquiry. The Supplier shall expressly alert LANTAL whenever it departs from such details and specifications. Any suggestions for improvement should be separately indicated.
2. Orders (and acceptance of orders by the Supplier) and call-off orders by LANTAL (including any amendments or addenda) may be given in written or electronic form. The text of the order as used by LANTAL, in conjunction with these Terms and Conditions, shall be deemed exclusively controlling.
3. LANTAL may request changes to the supplied goods in terms of design and manufacture, to the extent such changes are reasonable to the Supplier. In such cases the parties shall make appropriate mutual contractual arrangements to take account of any subsequent effects, in particular with respect to additional costs, cost savings and delivery dates.

### **III. Prices and payment**

1. Unless otherwise expressly agreed, the unit prices agreed by the parties shall be deemed fixed prices. They include any and all ancillary costs (e.g. costs of packaging, insurance, delivery costs, import duties and taxes) and are quoted free to LANTAL's location (DDP, as per Incoterms 2020, or, if these are replaced, in line with such Incoterms as are in effect from time to time).
2. Where the parties do not agree to any other terms of payment, LANTAL shall make payment within 30 days at a 2% cash discount, or net within 60 days. Where early deliveries are accepted, the due date shall be governed by the contractually agreed delivery date.
3. A single copy of the invoice shall be forwarded to LANTAL. It must contain the Supplier's supplier number, the number and date of the order/call-off order, and the delivery address. The invoice may refer only to a single consignment note.
4. Where a delivery is subject to defects or errors, LANTAL shall be entitled to withhold payment on a pro-rated basis until such time as the order is properly filled. LANTAL shall also be entitled to apply debit notes or credit notes against claims of the Supplier.

### **IV. Prohibition on assignment and set-off**

1. Without LANTAL's prior written consent, the Supplier is not authorised to assign any claims it has against LANTAL.
2. Claims of the Supplier may not be set off unless the other claims against which a set-off is being applied have been acknowledged or have been determined by res judicata detriment.

### **V. Notice of defects**

LANTAL shall give the Supplier written notice within 5 days of any obvious defects in the goods supplied, as soon as it has ascertained said defects in the course of its proper business operations. To this extent the Supplier is deemed to waive the defence of belated notice of defects. Where the parties have made agreements on quality assurance, the contents of those agreements shall take precedence over the terms agreed herein.

### **VI. Confidentiality**

1. No details or information, drawings, models, patterns, samples or similar objects provided by LANTAL to the Supplier to facilitate its production of the contract products may be used, duplicated or disclosed to third parties for any other purposes.
2. The Supplier shall also impose the foregoing obligations on its own staff, agents and sub-suppliers, and shall bear liability for their compliance therewith. The foregoing also applies to assembly crews and maintenance personnel.

3. LANTAL shall treat the technical documentation of the Supplier or of the Supplier's sub-suppliers as confidential. Such documentation shall remain the intellectual property of the Supplier/sub-supplier.
4. Upon termination of the parties' business relations, each party shall either return unbidden any and all documents to the other party or shall destroy them after consultation with the other party.
5. The Supplier hereby undertakes that, absent LANTAL's prior written consent, it shall not advertise the existing business relationship with LANTAL.

#### **VII. Deliveries of contract products and replacement parts**

Suppliers of machines, vehicles or other products requiring a supply of spare parts shall deliver original spare parts, original accessories and tools for as long as the subject product is in operation at LANTAL's business. The Supplier is not authorized to refer LANTAL to any established customer service.

#### **VIII. Delivery dates and periods**

1. The delivery specifications agreed separately shall apply. Agreed deadlines and delivery periods shall be deemed binding unless they have been expressly designated in writing as non-binding. For purposes of assessing whether the delivery date or period has been adhered to, the date on which the goods arrive at the contractual destination shall govern. Without any separate explanation, LANTAL may refuse to accept goods which are not delivered in accordance with the schedule. Unless otherwise agreed, the Supplier's deliveries shall be DDP (Incoterms 2010).
2. In the case of deliveries pursuant to a predefined delivery plan, of LANTAL, deliveries shall be made based on call-off orders in line with such delivery plan.
3. The Supplier should avoid making deliveries prior to the agreed delivery date. Nevertheless, where the Supplier makes a delivery prior to the agreed delivery date, LANTAL shall have the right to refuse acceptance of the products or to accept the products subject to the proviso that the Supplier shall bear all storage costs thereof.
4. Where circumstances arise which are expected to prevent the Supplier from effecting delivery as per the schedule, the Supplier shall notify LANTAL in writing thereof without delay.

#### **IX. Delivery default**

1. Where the agreed deadlines and periods are not met, the Supplier shall be deemed in default without the need for the setting of any grace periods. As a result of such default, LANTAL may either (a) insist on performance of the contract and demand compensatory damages or (b) waive subsequent performance and demand damages for breach or may resile from the contract.
2. Where LANTAL insists on performance of the contract, the Supplier shall owe LANTAL liquidated damages of 5.0% of the contract value per week of delay or part week, to a maximum of 10.0% of the contract value. LANTAL expressly reserves the right to assert claims for compensatory damages exceeding the foregoing.
3. The Supplier shall be liable to LANTAL for losses incurred due to the belated delivery pursuant to the provisions of applicable law. Such compensatory damages shall also include additional freight costs, retrofitting costs and additional expenditures to obtain contractual cover.

#### **X. Mandatory declaration**

1. The declaration data must be reviewed on a country-specific basis by the supplier, who is responsible for the data.
2. Each invoice must include a declaration of origin.
3. The country of origin and the customs tariff number must be indicated for each invoice item.
4. Invoices for amounts less than € 6,000.00 must be signed.
5. If the value of the goods on an invoice out of the European Economic Area exceeds € 6,000.00 or CHF 10,300.00, a movement certificate EUR.1 or EUR-MED must be issued.

#### **XI. Force majeure**

1. Force majeure - in particular, strikes, civil unrest, actions of civil authorities and other events which are unforeseeable and unavoidable and not subject to the control of the respective party - shall be deemed to relieve that party from its obligations to perform the contract for the term of the disruption and to the extent of their impact. The contract party into whose sphere of risk the force majeure event has fallen shall in each case inform the other party within a reasonable time regarding the length of time for which the disruption will continue and as well as with respect to any solutions which may appear to merit consideration. Where a force majeure event subsists for more than 30 calendar days, the other contract party shall be entitled

to resile from the contract.

2. In cases of force majeure, the parties shall furnish the necessary information without delay to the extent reasonable and adapt their obligations in good faith to the changed circumstances.

## **XII. Termination**

LANTAL may terminate the parties' contract at any time where there are objective grounds to do so. In such case, LANTAL shall compensate the Supplier for such costs as it has incurred up to this time for manufacturing/procuring the products ordered by LANTAL. No further claims on the part of the Supplier shall be deemed to arise as a result of such termination.

## **XIII. Warranty**

1. As a specialist the Supplier hereby warrants that the contract products shall not be subject to any defects impairing their value or their fitness for their intended use, that the goods shall possess such qualities as it has warranted and that the contract products shall comport with the prescribed performance data and specifications. The contract products must comport with the regulatory requirements in effect at the place of destination. At LANTAL's request the Supplier shall furnish testing logs free of charge. Unless otherwise agreed, no incoming goods inspection shall be carried out; the Supplier shall consequently bear the full obligation with respect to testing and outgoing goods checks.
2. The Supplier hereby warrants that all products supplied by it and all services to be rendered by it shall be state of the art as of the date of conclusion of the contract, that they are in line with the relevant provisions of applicable law (e.g. Chemicals Act, safety data sheets) and with the regulations and directives of public authorities, insurance associations and industry associations, and that it is unaware of any prospective amendments thereto. The foregoing shall apply in particular with respect to the environmental laws and regulations applicable in Switzerland, the EU and at the registered office of the Supplier. The Supplier shall notify LANTAL without delay with respect to any prospective changes of which it is aware.
3. Where the Supplier has concerns with respect to the type of design requested or to the use of materials supplied, it shall give immediate written notice thereof.
4. In the event of any failure of the Supplier to provide declarations, certificates of origin and similar proof of origin (even where the Supplier does not bear fault for their incorrectness), the Supplier shall pay compensatory damages to LANTAL, in particular where this has entailed customs enquiries on the part of LANTAL.
5. Unless otherwise agreed, the warranty period shall be 36 months from the date of passage of risk.

## **XIV. Information systems, inspections**

1. LANTAL is entitled to verify the progress of the works. This shall not be deemed either to alter or limit the Supplier's duty of proper performance of the contract. Upon prior notice, LANTAL may carry out quality or schedule audits at the Supplier's or its sub-suppliers' site.
2. The Supplier hereby warrants to LANTAL, its customers and public authorities the right to inspect the procedures, documentation, tools and records required for the products to be delivered by prior agreement, and to carry out system and process audits in line with this.
3. No audit or verification of the manufacturing process by LANTAL or authorized third parties shall be deemed to reduce or abrogate the Supplier's liability to supply contract products or spare parts free of defects and in a timely fashion. Likewise this shall not affect LANTAL's warranty rights. Prior to shipping the contract products, the Supplier must rectify any and all defects and other objections discovered and documented during any audit. Any alterations or repairs of the contract products must be approved by LANTAL's authorized personnel.

## **XV. Liability for defects**

1. Where defective goods have been supplied, LANTAL shall be entitled to assert its statutory claims for defects, where these general Terms and Conditions do not prescribe any rules departing therefrom.
2. The Supplier shall react appropriately to objections by LANTAL and shall complete and return without delay the 8D report submitted to it.
3. The Supplier shall eliminate defects without delay and assume any and all costs associated therewith, by repairing or by replacing at LANTAL's option the defective products with contract parts which are free of defects. A new warranty period shall begin to run with respect to the contract products which have been repaired or replaced.
4. At the Supplier's request and expense, LANTAL shall promptly furnish the Supplier with the parts to be replaced, except where the parts in question have already been delivered or incorporated in other goods, or where LANTAL is unable for any other reason to surrender them

to the Supplier.

5. Acceptance, processing, payment for and re-ordering of goods may not be construed as approval of the goods supplied or a waiver of claims for defects. Where defects become manifest only at such time as they are processed or commissioned for use, LANTAL may also demand compensation for the frustrated expenses incurred by it.
6. In urgent cases, LANTAL may eliminate defects or have a third party do so, recharging its own costs to the Supplier.
7. For each delivery of goods of which LANTAL ascertains a defect only after the goods have been handed over, LANTAL shall be entitled to demand payment by the Supplier of a flat rate of compensation of 10% of the contract value (or a minimum of CHF 300.00, plus the valid applicable rate of VAT plus any properly documented external testing fees) for its storage and testing costs. The Supplier remains entitled to furnish evidence that the costs incurred by LANTAL were in fact of a lesser amount.

#### **XVI. Liability and product liability**

1. Unless some other clause of these Terms and Conditions prescribes a particular rule in respect of liability, the Supplier shall be obliged to compensate LANTAL in accordance with the provisions of applicable law for such losses as LANTAL incurs directly or indirectly as a result of erroneous or defective goods supplied, as a result of any breach of the laws and regulations pertaining to safety, or for other legal reasons attributable to the Supplier. Any limitations of liability on the part of the Supplier to intentional acts and gross negligence shall be deemed invalid vis-à-vis LANTAL.
2. Where third parties assert no-fault liability against LANTAL on the basis of mandatory rules of law, the Supplier shall indemnify and hold LANTAL harmless to the extent it would itself bear liability, directly in lieu of LANTAL, to the third party in question. The same shall apply also in cases of any direct claims asserted against the Supplier.
3. The Supplier shall bear liability for actions undertaken by LANTAL to avert losses (e.g. recall campaigns), provided that such actions appear reasonably necessary on the basis of circumstances, defects, errors, etc. attributable to the Supplier, or because LANTAL bears a legal duty to do so on the basis of law or regulatory or judicial order.
4. Where LANTAL wishes to assert a claim against the Supplier pursuant to the foregoing terms, LANTAL shall comprehensively inform and consult the Supplier without delay. LANTAL shall afford the Supplier the opportunity to investigate the case. The parties shall inform and consult with one another on an ongoing basis with respect to action to be taken, in particular with respect to the possibility of settling third party claims. The Supplier shall indemnify and hold LANTAL harmless against all claims for damages based on liability. It shall take out and maintain a policy of liability insurance, in a sufficient amount. The Supplier shall supply the necessary documentation at the same time it furnishes its price offer or delivers the goods. Such documentation must clearly define product specifications and permissible uses.
5. The Supplier shall alert LANTAL to any potential defects of the contract products which may arise at a later time, in order to be able to report any discernible possibility that losses may arise under the applicable product liability act at the place of destination (even after the contract products have been placed on the market).
6. As a specialist, the Supplier shall alert LANTAL immediately to new legislation or discoveries in the realm of product liability, in the case of additional orders or where deliveries are ongoing.

#### **XVII. Intellectual property rights, R&D work**

1. The Supplier shall be liable for claims arising out of any breaches of intellectual property rights and applications therefor (protective rights), provided that the contract products are used in accordance with the parties' contract.
2. The Supplier shall indemnify and hold LANTAL and its customers harmless against all claims arising out of the use of such intellectual property rights.
3. The foregoing shall not apply where the Supplier has produced the contract parts pursuant to drawings, models or other descriptions provided to it by LANTAL or pursuant to details/instructions by LANTAL constituting the equivalent thereof, and does not know—and, in connection with the products developed by it, does not bear a duty to know—that this constitutes an infringement of intellectual property rights.
4. The parties hereby undertake to notify one another without delay of any risks of infringement and alleged instances of infringement coming to their knowledge, or of any interference by third parties; and further undertake to afford one another the opportunity to take opposing action by mutual agreement against such claims. The same shall apply where one of the parties learns that a third party is infringing the rights of the other party to the contract which are of relevance to the parties' contractual relations.
5. In the event that the Supplier also performs R&D work for LANTAL, the Supplier shall carry out

such R&D work on the basis of state of the art technology. LANTAL shall be deemed to be granted an exclusive, irrevocable right of use for all applications, which shall be deemed transferable and capable of being sublicensed, with respect to the proprietary knowledge and the copyright-protected and unprotected R&D work product. The Supplier shall fully claim any inventions arising within the sphere of its performance of the R&D work and without delay shall transfer such inventions, in their entirety and free of charge, to LANTAL.

**XVIII. Reservation of title**

LANTAL does not acknowledge any reservation of title on the part of the Supplier.

**XIX. Counterfeit parts**

The supplier of materials and/or parts shall ensure, within its supply chain, to be in compliance with counterfeit parts according to AS9100:2018.

**XX. Code of Conduct**

The Code of Conduct defines the desired supplier behavior.

**XXI. Non-compete covenant**

1. The Supplier may neither offer nor sell the parts/components produced for LANTAL, and pursuant to its drawings and specifications, to end customers or wholesale organizations, whether directly or via third parties. Production by a third party with the aim of selling the parts/components via or for the account of such third parties is likewise prohibited.
2. The parts must be labelled only with the supplier code issued by LANTAL, and not with the Supplier's name. Any exemption from this non-compete covenant shall require LANTAL's written consent.

**XXII. Property of LANTAL**

Material supplied by LANTAL shall remain LANTAL's property. It must be stored separately as such and may only be used for filling LANTAL's orders. The Supplier shall bear liability for any diminution of value or loss thereof, even in the absence of fault on its part. Items of property produced using the material provided by LANTAL shall be deemed LANTAL's property at each stage of production. The Supplier shall store these items of property on behalf of LANTAL and free of charge.

**XXIII. General provisions**

1. Where the Supplier ceases to make payments or where there is an application for the opening of insolvency proceedings over its assets or for an extrajudicial composition with creditors, LANTAL shall be entitled to resile from the contract / to terminate the contract with respect to the portion thereof which has not yet been performed.
2. Where any term of these Terms and Conditions or of the further agreements or contracts made by the parties should be or become invalid, impossible or unenforceable, the validity of the contract shall not in other respects be affected thereby. The parties shall replace the invalid, impossible or unenforceable term with a term coming as close as possible to it in respect of its commercial outcome.
3. The place of performance is the registered office of LANTAL Portugal.
4. Portuguese law shall apply (excluding the terms of the United Nations CISG) with respect to all legal relations between the Supplier and LANTAL.
5. The parties hereby agree that jurisdiction and venue shall be vested in the courts at the place of Lantal Portugal registered office. LANTAL reserves the right, at its option, to apply to the courts with jurisdiction over the registered office of the Supplier.