

## General Purchasing Conditions

Our purchases are made subject to the terms and conditions set forth below and other agreements, if applicable. The acknowledgement or execution of our purchase order shall be deemed as approval of these purchasing conditions. General terms of business of the Supplier shall only apply if and insofar as we have explicitly accepted them in writing. Any references of us to correspondence from the Supplier containing or referring to the Supplier's general terms of business shall not constitute our acceptance of the applicability to this contract of such general terms of business.

The Supplier's general terms of business shall also not apply if we should accept any goods / services in the knowledge that the Supplier has purported to deliver them on general terms of business of the Supplier that deviate from or are in conflict with these General Conditions of Purchase.

### 1. Offer and Purchase Order

- 1.1 Offers and price quotes shall not be remunerated and shall not create any obligations on the part of us.
- 1.2 In its offer the Supplier shall explicitly expose any discrepancies between its offer and our inquiry. If the Supplier has alternatives for an inquiry which is technologically or economically superior it shall additionally present this offer us.
- 1.3 Only written or electronic orders shall be valid. Any verbal agreements or agreements by phone shall require our written or electronic confirmation. This shall also apply to any amendments.

### 2. Insurance

- 2.1 We will contract to a transport insurance policy. We can therefore not accept to take over any insurance expenses on the part of the Supplier.
- 2.2 The Supplier shall on its own expense, conclude and maintain an appropriate third party liability insurance policy for personal injury, material and property damage to cover damage caused by the Supplier, the Supplier's personnel, Suppliers subcontractors or the Supplier's vicarious agents by the Supplier's services and/or works or delivered goods. The Supplier shall prove this insurance cover on our request. The Supplier's contractual and legal liability remains unaffected by the extent and amount of its insurance coverage.

### 3. Delivery Dates / Force Majeure

- 3.1 Agreed delivery dates shall be binding and obligatory. In case of the delivery of goods such compliance requires the delivery free of any defects to us within our regular business hours accompanied by the required shipping documents to the address specified in the purchase order (hereinafter "Place of Destination").
- 3.2 Should the Supplier not be able to meet the delivery date, he shall notify us in written or electronic form without delay, before elapse of the agreed delivery date, stating the reason for and the expected duration of the delay. This shall not release the Supplier from his obligation to meet the agreed delivery date.
- 3.3 The unconditional acceptance of late delivery shall not constitute a waiver of the claims for any compensation that we are entitled to on the grounds of the late delivery.
- 3.4 Force majeure, specifically, riots, disturbances, authority actions and other unforeseeable, unavoidable and serious events shall release the contracting parties from their obligation to perform for the duration of such disturbances and to the extent of their effect. The affected contracting party shall without delay notify in written or electronic form the other party on the occurrence of an event of force majeure and its expected duration. The contracting parties shall adjust their obligations bona fide to the changed conditions. However, we shall be entitled to rescind the contract without prior notice whenever our material interest in the performance of the contract loses its basis as a result of the occurrence of the event of force majeure.

### 4. Sustainability

- 4.1 We conduct our business in accordance with the principle of sustainable development and adheres to internationally recognized fundamental standards for occupational health and safety, environmental protection, labor and human rights as well as responsible corporate governance (hereinafter "ESG Standards"). We have described our understanding of the ESG Standards in the Supplier Code of Conduct (<http://www.basf.com/supplier-code-of-conduct>). We expect the Supplier to adhere to the ESG Standards. Furthermore, we call upon the Supplier to ensure that all its subcontractors of any tier adhere to the ESG Standards likewise. We shall have the right to check adherence to the ESG Standards on the part of the Supplier, either itself or through third parties that its commissions, with prior notice.
- 4.2 While performing the contract, the Supplier must adhere to our occupational health and safety and environmental protection requirements specified in the contract.

## hebro chemie- Zweigniederlassung der Rockwood Specialties Group GmbH, Mönchengladbach, Germany

### 5. Statutory Minimum Wages Act (MiLoG), Employee Assignment Law (AEntG), Prohibition on Illegal Employment

- 5.1 The Supplier must ensure that the employees used by the Supplier or its subcontractors or personnel service providers to perform contracts with us receive the minimum wage as per the German Minimum Wages Act (MiLoG), respectively the minimum hourly rate of pay (Mindeststundenentgelt) according to the regulation based on section 3a of the German Temporary Employment Act (Arbeitnehmerüberlassungsgesetz) or, if the services to be provided are subject to the scope of the Employee Assignment Law (AEntG), the respectively required industry minimum wage. The Supplier must also ensure that binding obligations to pay contributions to social security carriers, employers' liability insurance associations and other institutions such as the joint institutions of the collective bargaining agreement parties named in section 8 AEntG are fulfilled.

- 5.2 When choosing subcontractors or personnel service providers, the Supplier shall check fulfillment of the preliminary conditions as per Clause 5.1 and require them to provide written confirmation of compliance. Furthermore, the Supplier shall obtain written assurance from these parties that they will require other subcontractors or personnel service providers as may be engaged to comply with the requirements.

- 5.3 The Supplier shall indemnify us against justified claims any employee of the Supplier or any employee of a subcontractor, regardless of level, or of a personnel service provider used has brought forward towards us as the guarantor of payment of the statutory minimum wage or industry minimum wage, or claims by one of the institutions of the collective bargaining agreement parties named in section 8 AEntG for the provision of payments.

- 5.4 We are entitled to terminate the contract with the Supplier without notice if and when we are justifiably made liable as guarantor according to MiLoG or AEntG.

- 5.5 Moreover, the Supplier shall accept liability vis-à-vis us for any damage that may be suffered by us through culpable failure to meet the obligations as per Clauses 5.1 and 5.2.

- 5.6 Illegal employment of all kinds is prohibited.

### 6. Delivery, Shipping, Packaging, Passing of Risk, Transfer of Title

- 6.1 Unless agreed otherwise, the delivery of goods shall be made "DAP to the Place of Destination (Incoterms 2010)". Unless agreed otherwise, the delivery shall be accompanied by two copies of the delivery note, the packing list, cleaning and inspection certificates according to the agreed specifications and all other necessary documents. If known, the following details must be given in all shipping documents and - for packaged goods - on the outer packaging too: purchase order number, gross and net weight, number of packages and type of packaging (disposable / reusable), shelf life as well as Place of Destination (unloading point) and consignee. For projects, the complete job number and assembly building must be given as well.

- 6.2 For third country deliveries (imports), we shall become importer of record and Supplier shall support us with all documents and information necessary to complete and lodge a true import declaration to authorities responsible for customs, as required in the customs legislation of the country of import.

- 6.3 The Supplier shall notify us in writing about the percentage of US controlled content.

- 6.4 The Supplier shall uphold our interests during the delivery. Goods must be packed with packaging materials approved for the Place of Destination as so to avoid damage during transport. The Supplier is liable as per the statutory provisions for any damage incurred due to improper packaging.

- 6.5 For domestic deliveries, upon our request the Supplier shall collect any accumulated outer packaging, transport and sales packaging from the Place of Destination following delivery and dispose of it or having this done by a third party.

- 6.6 Up until the arrival of the goods specified in the contract with the documents mentioned in clauses 6.1 and 6.2 at the Place of Destination, the Contractor shall bear the risk of loss or damage.

- 6.7 If a formal acceptance is stipulated by law or by the contract, the passing of risk shall take place upon acceptance by us. If formal acceptance is agreed, the risk of loss shall not pass from the Supplier to us before a successful acceptance has been confirmed by us in the acceptance certificate. Payment of invoice balances shall not replace a formal acceptance.

- 6.8 Transfer of title and ownership shall pass to us as per the statutory provisions.

### 7. Origin and Status of Goods

- 7.1 The Supplier declares the non-preferential origin of goods (country of origin) in commercial documents. In addition, the Supplier provides an A.TR

- movement certificate, if applicable. Upon our request he will provide a proof / certificate of origin specifying the origin of the goods.
- 7.2 The goods must comply with the regulations for the preferential origin of goods as per the bilateral or multilateral agreements or the unilateral regulations for the origin of goods pursuant to the Generalized Systems of Preferences (GSP), insofar as the delivery is within the scope of preferential trade
- 8. Invoicing, Payment**
- 8.1 Invoicing shall be based exclusively on our control of quantity, weight and analysis of the goods delivered.
- 8.2 Should the Supplier reduce prices in the period between the date of the purchase order and of delivery and/or improve his terms and conditions, then the prices and/or terms of conditions valid on the date of delivery shall apply.
- 8.3 The Supplier must provide a separate, auditable invoice for each purchase order, which must include all of the legally required information under German law. The invoice must include our full order number and, if applicable, the Supplier's delivery note number. Invoices must correspond to the information in the purchase order in respect of the goods described, price, quantity, the order of the items and item numbers. Invoices are to be sent to the billing address specified by the Principal in the purchase order.
- 8.4 Unless agreed otherwise, the payment period shall commence as soon as an invoice that meets the applicable value-added tax requirements has been received at the billing address. In the case of self-billing, the payment period commences the day the credit memo is issued. Payment will be made subject to determination of contractual compliance and completeness for the delivery / service provided.
- 8.5 Payments by us shall not represent an acceptance of the conditions and prices stated in the invoice, and shall not constitute a waiver of our rights with regard to deliveries made / services provided that differed from those as agreed upon, our rights to inspection, and the right to find fault with an invoice due to other reasons.
- 9. Warranty Claims**
- 9.1 The Supplier is responsible for delivering goods and services free of defects, in particular compliance with the agreed specification of goods and services, and, additionally, for ensuring that guaranteed properties and features are present. In addition, the Supplier guarantees that goods and services meet the current technical standards and - if applicable - the generally recognized standards in plant safety, occupational medicine and hygiene; are delivered by qualified personnel and are in line with all pertinent legal regulations at the Place of Destination. If machines, equipment or plants constitute delivery items, they shall meet the special safety requirements applicable to machinery, equipment and plants at the time of contract fulfillment, and shall be CE marked.
- 9.2 The Supplier shall ensure that all materials contained in the goods have effectively been registered (or exempt from the obligation to register) and - if relevant - authorized in accordance with the applicable requirements of REACH. If the goods classified as an article according to Article 7 REACH the preceding sentence shall also apply to substances released from such goods. The Supplier shall forthwith notify us if a component of the product contains a substance in a concentration exceeding 0.1 mass percent (W/W) if this substance fulfills the criteria of Article 57 and 59 REACH (so-called substances of very high concern). This also applies to packaging products.
- 9.3 Acceptance of delivery shall be subject to a check for defects especially correctness, completeness and usability. We will check the goods delivered for obvious defects inasmuch and as soon as this is reasonable during the ordinary course of business; any defects will be notified by us without delay after their discovery. In this respect, the Supplier shall waive any objection on the grounds of delayed notice of defect.
- 9.4 In the event of any defects, we have the right to demand rectification of such defects according to applicable law. The mode of rectification shall be at our sole discretion. The rectification location shall at our option be either the Place of Destination or the place of acceptance, if acceptance is legally required or contractually agreed, or another delivery location for the goods if this was known to the Supplier when the contract was concluded. The Supplier shall bear the cost of rectification and must execute rectification in all respects in accordance with our instructions and requirements.
- 9.5 Where a Supplier complies with his obligation to rectification by way of a compensation delivery, the limitation period for the product delivered as compensation will re-start upon its delivery unless the Supplier has expressly reserved the right to proceed to the rectification only as an act of goodwill, to avoid disputes or in the interest of a continuation of the business relationship.
- If (i) rectification does not take place within an appropriate period of time, (ii) rectification has failed, or (iii) it is not necessary to fix a grace period for rectification, we shall be entitled to claim further legal rights in the event of defects.
- 9.6 If rectification does not take place within an appropriate period of time, if it has failed, or if it is not necessary to fix a grace period for rectification, we have the right, in addition to the rights named in Clause 9.4 and 9.5, to
- remedy the defects itself at the cost and liability of the Supplier, or allow this work to be undertaken by third parties. We are in this case entitled to demand compensation from the Supplier for the required measures. A grace period for rectification is particularly unnecessary if there is a danger of unreasonably high damages and the Supplier cannot be reached.
- 9.7 Inasmuch as the Supplier or the Supplier's subcontractors should be liable for a defect leading to liability for indemnification on our part towards third parties, the Supplier shall hold us free and indemnify us from the obligation to pay damages, especially due to product liability. This release shall cover all and any costs and expenses, including legal charges.
- 9.8 In addition, the applicable law shall apply. Any additional rights of us concerning the Supplier's statutory liability for defects or under any guarantees shall remain unaffected.
- 9.9 Unless anything has been agreed to the contrary, the limitation period for claims on the grounds of deficiencies caused by quality defects or deficiencies in title with respect to the goods delivered shall be 36 (thirty-six) months from the transfer of risk.
- 10. Third Parties' Intellectual Property Rights**
- 10.1 The Supplier warrants that the goods delivered are free from third party intellectual property rights in Germany or, to the extent that he is informed about this, in the country of destination.
- 10.2 The contractual partners shall mutually inform each other without delay if a third party raises claims against one of them on the grounds of an infringement of its intellectual property rights.
- 10.3 Should the contractually intended use of the goods delivered infringe the intellectual property rights of a third party, the Supplier shall be obligated, without prejudice to his other contractual and statutory obligations and upon coordination with us, to either obtain the right to an unrestricted use of the goods delivered as intended under the contract from the party entitled to dispose of the property right without any additional cost to us or to alter the components of the relevant products/services concerned by the intellectual property right such that they no longer fall within the scope of protection of the in-fringed intellectual property right while at the same time meeting the contractual requirements.
- 10.4 Notwithstanding other legal claims, the Supplier shall indemnify us from all and any third-party claims for which we may be held liable as a result of the infringement of any of the aforementioned property rights if these are based on a culpable violation of obligations by the Supplier. In this case, the Supplier shall bear the cost of any licensing fees, expenses and fees incurred by us in preventing and / or rectifying any infringements of property rights.
- 11. Liability**
- Unless otherwise established in these General Conditions of Purchase, the Supplier shall be liable as per the statutory provisions.
- 12. Assignment of Receivables**
- 12.1 In principle, any assignment of receivables from us to third parties shall require our prior written approval, which will not be unreasonably withheld. Such approval shall be deemed to be given in the case of extended clause of reservation of title.
- 12.2 If, contrary to 12.1 above, the Supplier assigns his receivables from us without our consent, the assignment shall nevertheless be effective. However, we may, at our own discretion, either make our payment to the Supplier or to the third party with discharging effect.
- 13. Quality Management**
- The Supplier shall be obliged and guaranties to implement and maintain the quality assurance conditions, as attached to our respective order.
- 14. Packing and Marking**
- By providing for proper loading and suitable packing of the goods, the Supplier shall exclude any damage during transportation and storage. The packing shall be marked in conformity with statutory regulations.
- 15. German Toxic Substances Control Act ("Chemikaliengesetz") and other Statutory Regulations**
- 15.1 The Supplier shall package, label and ship hazardous products according to the applicable national and international laws and regulations. The Supplier shall comply with all obligations for suppliers (pursuant to Article 3 (32) Regulation (EC) No. 1907/2006/EC (hereinafter "REACH")) under REACH with respect to the delivery of goods and shall guarantee that the goods are in conformity with the law as well as any legal regulations based on it, in each case according to the latest version. The Supplier shall in particular provide us with a safety data sheet according to Article 31 REACH in the national language of the recipient country in all cases stipulated in Article 31 (1) to (3) REACH.
- 15.2 For technical tools or equivalent goods, the Supplier shall guarantee the applicable EU regulations and standards as well as any existing German statutory regulations [e.g. Gerätesicherheitsgesetz (German Law on Equipment

Safety), Betriebssicherheitsverordnung (German Ordinance on Operational Safety)] will be complied with.

**16. Documents and Confidentiality**

16.1 All business or technical information made accessible by us (including characteristics to be inferred from any samples submitted) must not be disclosed to third parties as long and inasmuch as they are not demonstrably in the public domain. They may only be made available to those of the Supplier's employees who need to know them in order to fulfill the contract and who are under respective confidentiality obligations. Any information made accessible by us to the Supplier as well as any models, samples, drawings, data, materials and other documents provided to the Contractor by the Principal (hereinafter "Principal Documentation") shall remain our property and must not be reproduced nor used commercially without our prior written consent except for deliveries to us. Upon our demand, all "Principal Documentation" originating from us (including any copies or records, if applicable) as well as objects let on loan shall be returned to us completely without delay or destroyed in accordance with our instructions. We reserve to ourselves all rights to such "Principal Documentation" (including copyrights and the right to apply for property rights such as patents, registered designs etc.).

16.2 The Supplier shall have no rights to retain any Principal Documentation. The Supplier must observe our proprietary rights in and to all Principal Documentation.

16.3 Products made with the aid of our information, specifically drawings, models etc. or using our tools, may not be used by the Supplier for his own purposes nor offered or supplied to third parties except for fulfillment of his contractual obligations to us.

16.4 Moreover, the Supplier shall grant us an exclusive right to use and exploit work results that the Supplier created specifically for us or had third parties create for us, and shall obtain any necessary rights from third parties. Pre-existing rights of the Supplier or of third parties shall remain unaffected hereby

16.5 Any reference to the business relationship with us for advertising purposes or as a reference towards third parties shall require our prior written consent.

**17. Data Protection**

In case the Supplier, in the course of the performance of the respective contract, receives from us or otherwise obtains personal data related to our employees (hereinafter referred to as "Personal Data") the following provisions shall apply:

17.1 If processing of Personal Data disclosed in the aforementioned manner is not carried out on behalf of us, Supplier shall only be entitled to process Personal Data for the performance of the respective contract. Supplier shall not, except as permitted by applicable laws, process Personal Data otherwise, in particular disclose Personal Data to third parties and/or analyze such data for its own purposes and/or form a profile.

17.2 If and to the extent permitted by applicable laws, Supplier is entitled to further process the Personal Data, in particular to transmit Personal Data to its affiliated companies for the purpose of performing the respective contract.

17.3 Supplier shall ensure that Personal Data is only accessible by its employees, if and to the extent such employees require access for the performance of the respective contract (need-to-know-principle). Supplier shall structure its internal organization in a way that ensures compliance with the requirements of data protection laws. In particular, Supplier shall take technical and organizational measures to ensure a level of security appropriate to the risk of misuse and loss of Personal Data.

17.4 Supplier will not acquire ownership of or other proprietary rights to the Personal Data and is obliged, according to applicable laws, to rectify, erase and/or restrict the processing of the Personal Data. Any right of retention of Supplier with regards to Personal Data shall be excluded.

17.5 In addition to its statutory obligations, Supplier shall inform us in case of a Personal Data breach, in particular in case of loss, without undue delay, however not later than 24 (twenty-four) hours after having become aware of it. Upon termination or expiration of the respective contract Supplier shall, according to applicable laws, erase the Personal Data including any and all copies thereof.

**18. Place of Performance, Place of Jurisdiction, Applicable Law**

18.1 The place of performance for deliveries shall be the place to which the goods shall be delivered pursuant to the purchase order. The place of performance for payments shall be Mönchengladbach.

18.2 If the Supplier is a businessman, a legal person under public law or a federal special fund, the exclusive place of jurisdiction for all disputes including actions in procedures deciding claims arising out of bills of exchange and checks shall be Frankfurt am Main. However, we shall be entitled to bring action against the Supplier at his general place of jurisdiction.

18.3 These General Purchasing Conditions shall be construed and be subject to the substantive laws of Federal Republic of Germany with the exclusion of (i) the United Nations Convention on Contracts for the International Sale of Goods (CISG) dated 11 April 1980 and (ii) the law rules in Federal Republic of Germany on the conflict-of-laws. .

**19. Severability and Validity**

Should individual provisions of the contract and/or these General Purchasing Conditions be or become invalid or unenforceable either entirely or in part, this shall not affect the validity and enforceability of the other provisions. The contracting parties undertake to replace the invalid or unenforceable provision by a provision which should come as close as possible in its commercial effect to the replaced one. This shall apply respectively in the event that the contract should contain a gap.

These General Purchasing Conditions exist in a German and an English version. In cases where there are discrepancies or ambiguities the German version shall prevail exclusively

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