

## Hansgrohe SE General Purchase Conditions for Investment Goods and Services

- To be used exclusively for business between contractors -

### I. General

1. These "Hansgrohe SE General Purchase Conditions for Investment Goods and Services" apply in addition to the currently valid version of the Hansgrohe SE General Purchase Conditions (<http://www.hansgrohe.com/de/3091.htm>). In the event of contradictory provisions in the two above documents, the provisions of the "General Purchase Conditions for investment goods and Services" shall take precedence.
2. An assignment shall be commissioned solely on the basis of an SAP order. Except regarding Deliverables that are subject to ongoing adaptation, (e.g. assembly facilities, special machinery, etc.), subsequent changes and/or modifications to an assignment must be proposed by the Supplier in writing and become effective only upon an SAP order. For such Deliverables that are excepted from the requirement of an SAP order, all changes must be documented in a progress list in such cases. After performance, the SAP order must be updated accordingly. Any change to deadlines and costs must be proposed to Hansgrohe in writing by the Supplier after becoming known to the Supplier. Any change/modification must be documented in the Hansgrohe progress list and be signed by the Supplier to be valid.
3. No subsidiary verbal agreements are made at the time of assignment.

### II. Offer & offer documents

1. Offers in any form shall be prepared for Hansgrohe free of charge and denominated in Euros. Unless there is specific deviating provision in the invitation to submit an offer, the offer must be prepared as a fixed price including all services and DDP at the Hansgrohe deployment location (Incoterms 2010). The warranty period shall be 24 months after completion of performance as per statutory regulations.
2. All cost factors must be listed in detail in the offer. The delivery times from the date of the order must also be specified in the offer(s). The offer shall be binding for a period of at least 90 days.
3. Without the express written consent of Hansgrohe, all circulation, distribution or storing of data or documents that are provided by Hansgrohe to prepare an offer, whether in written, electronic or other form, is prohibited except for the purpose of submitting an offer.

### III. Conclusion of contract

1. The assignment is made in the form of a written SAP order only. The order confirmation for this order must be in the form of the countersigned original order. The order confirmation must be received by Hansgrohe within 7 days of the order date and include binding information on the delivery time, order number and prices. Deviations from the order must be listed explicitly and attached as an appendix to the order confirmation. In case of such deviations, the changes shall only become effective when Hansgrohe SE agrees thereto in writing.
2. If no order confirmation is received by Hansgrohe within 7 days, the order shall be considered confirmed without reservation as per the order.
3. Hansgrohe has the right to change the scope of delivery and scope of performance of the order at any time. Hansgrohe and the Supplier shall agree on the technical feasibility of the desired changes. The Supplier shall inform Hansgrohe SE as soon as possible of any increase or reduction in costs as a result of the changes and shall inform Hansgrohe SE of any impact on deadlines before Hansgrohe reaches a final decision regarding implementation of the change.
4. Implementation of the change shall be approved by Hansgrohe in the form of an addendum to the applicable order. The Supplier shall perform all the additional services arising from the changes at market prices and shall provide evidence thereof on request. If no agreement is reached between the Supplier and Hansgrohe within a brief period regarding the impact in terms of costs and if the delay in agreement on costs puts the agreed deadlines at risk, the Supplier shall, at Hansgrohe's request, commence work on implementing the change following technical clarification.
5. If no agreement is possible between the Supplier and Hansgrohe with regard to the impact of the changes and an independent referee is therefore required, the Parties shall each bear half of all associated costs.

### IV. Pricing

1. For investment goods, the indicated prices must be a firm fixed price. It may only be changed on the basis of changes to the specifications and a corresponding written proposal by the Supplier to Hansgrohe.
2. For services, the price indicated on the order is the maximum price. It may not be exceeded without written confirmation from Hansgrohe. Costs incurred in excess without the prior written consent of Hansgrohe shall be borne in full by the Supplier. Services that are ordered to be available on request or that cannot be defined abso-

lutely in terms of time must be accounted for at an hourly or daily rate on the basis of the work actually performed. Uncommissioned deliverables shall lapse at the end of the delivery date. All additional costs such as travel and hotel expenses, allowances, etc. shall be included in the offer price, unless there is provision to the contrary in the SAP order.

## V. Invoicing

1. Invoices must be prepared for each order only after performance has been completed in full. The conditions in the SAP order apply to the invoice. Invoices are only valid in original and must contain the order number in addition to the order reference. A partial invoice must always refer to the total amount and the partial payments that have already been made must be indicated. An unconditional order confirmation in the form of a countersigned original order, and a directly enforceable advance payment guarantee payable on first demand and without time limit, must be provided for the sum of any advance payments (e.g. for machines or systems) for which Hansgrohe SE has no corresponding counter-value. The VAT must be indicated separately in this case.

## VI. Payment terms

1. Payment is due after full and correct delivery as per the SAP order and after receipt of the invoice by Hansgrohe for individual orders that constitute a delivery without additional services such as installation, commissioning or acceptance.
2. Payment is due after service has been performed in full and after receipt of the invoice by Hansgrohe for orders up to a total order value of EUR 25,000 for which additional services such as installation, commissioning or acceptance have been ordered at the same time.
3. A maximum of 80% of the performance commissioned in the SAP order is due after delivery and receipt of the invoice for orders above EUR 25,000 up to EUR 50,000. Payment of the final invoice is due after all deliverables commissioned in the SAP order have been provided in full and after receipt of the invoice by Hansgrohe.
4. The following terms of payment apply to orders above EUR 50,000:  
30% is paid upon unreserved confirmation of the SAP order in the form of the countersigned original order and upon presentation of a directly enforceable advance payment guarantee of a major German bank, savings association or credit insurance company payable on first demand and without time limit for the sum of this instalment and on presentation of a partial invoice.

50% is paid after delivery and successful initial acceptance of the machine/system at the orderer's location and after presentation of the partial invoice.

20% is paid after successful final acceptance at the orderer's location, but no later than 4 weeks after delivery if acceptance was not possible for reasons for which Hansgrohe is demonstrably liable, and after presentation of the final invoice.

5. EOAP 60 after due date and receipt of invoice is agreed between the Supplier and Hansgrohe as the general payment period. All invoices for investment goods and services provided by the Supplier are accumulated by Hansgrohe across the calendar month in which the services as per the SAP order have been performed in full ("accumulation period"). The term of payment is 60 days and begins at the end of the accumulation period (EOAP), assuming that the performance conforms to the agreed specification. Payments are initiated by Hansgrohe on the 5th calendar day of the second calendar month after the accumulation period without any deferment in order to reduce administrative costs.

## VII. Delivery deadlines, delivery terms & delay

1. Deadlines in the orders are fixed deadlines and are binding. This also applies to interim deadlines such as pre-acceptance, partial deliveries, commissioning and acceptance etc. The Supplier must inform the responsible Hansgrohe purchasing department immediately if the Supplier becomes aware that the deliverable cannot be provided on time. If delivery by the Supplier is delayed, Hansgrohe, following written warning, may demand a contractual penalty of 0.5% per week or part thereof, but not more than 5% of the net order value affected by the delay. Additionally, the statutory provisions on delay shall apply. The contractual penalty that is paid shall be set off against further damages caused to Hansgrohe SE by the delay.
2. Hansgrohe SE is not obliged to receive or accept goods or services before the agreed delivery deadline.

## VIII. Liability

1. Where there is no express agreement to the contrary, the Supplier shall be liable in accordance with the statutory regulations of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is explicitly excluded.

## IX. Elimination of defects

1. The Supplier is obliged to immediately eliminate defects that occur during the warranty period in consultation with Hansgrohe project management. Elimination of defects must take place on the day following the written notification, where Hansgrohe has not agreed to a different deadline. All costs associated with the elimination of defects must be borne by the Supplier.
2. If elimination of a defect by the Supplier is delayed, Hansgrohe is entitled to remedy the defect itself or to have the defect remedied by a third party. The costs that have demonstrably arisen must be borne in full by the Supplier.

## X. Rules and guidelines

1. Performance must comply with generally recognised good engineering practice, the general laws and regulations of regulatory authorities and professional associations and with the existing regulations and guidelines with regard to execution, occupational safety and fire, environmental and anti-pollution laws. All parts of performance must comply with these rules, regulations and guidelines.
2. All mandatory statutory and official documents that are required by Hansgrohe to use the ordered machine(s), system(s) and/or service(s) must be submitted no later than upon delivery to Hansgrohe in writing and, on request, in electronic form as well.
3. Machines and systems must also comply with all applicable national and European guidelines and have CE marking. A declaration of conformity and the complete documentation required for a declaration of conformity for the whole machine or system is a part of the commission for components that are part of a machine or system. The complete set of documents must be delivered with the delivery in paper format and in electronic format in German and - for delivery outside Germany - in English and, on request, in the language of the applicable country.
4. The current country-specific statutory requirements and guidelines of the country to which delivery is to be made as per the order must be complied with, even if such requirements and guidelines are not explicitly referred to in the product requirement/functional specifications or in the order.
5. On request, the Supplier shall provide Hansgrohe with manuals, safety analyses, declarations of conformity and other documents with regard to the delivery item for inspection in advance free of charge.

## XI. Miscellaneous

1. The "Safety regulations and code of conduct for external companies" (<http://www.hansgrohe.com>), must be observed for performance of an order on the premises of the orderer as per valid. The Supplier undertakes to instruct appropriately all employees charged with carrying out the order.
2. The "Hansgrohe principles regarding health and environmental protection, occupational safety, quality assurance and the assumption of corporate responsibility" (<http://www.hansgrohe.com>) as per valid are the basis for any assignment.
3. Where there is no express agreement to the contrary, all aids such as lifting gear, forklift trucks and similar that are required to carry out an order must be provided by the contractor without a separate invoice.