

# General Terms and Conditions of Purchasing

of Westlake Vinnolit GmbH & Co. KG and its associated companies (hereinafter: the Customer)

## I. General Provisions

1. The General Terms and Conditions of Purchasing below apply to any and all procurements by the Customer, regardless of whether they are purchases, work contracts etc. (hereinafter: Procurement); they apply to any and all contracts concluded in the future with Vendors with whom the Customer has an ongoing business relationship. Provisions agreed in specific contracts take priority over these Terms and Conditions of Purchasing (Section 305 b BGB [German Civil Code]). The above provision applies solely to circumstances regulated by specific agreement. These Terms and Conditions of Purchasing apply to any and all circumstances for which no specific agreement has been concluded. Specific agreements shall not be binding on the parties unless in writing.
2. These General Terms and Conditions of Purchasing apply exclusively; the Customer does not accept Vendor's contrary or deviating terms and conditions unless the Customer has expressly acknowledged in writing their application. These Terms and Conditions of Purchasing also apply even if the Customer has accepted delivery without reservation from the Vendor in the awareness of Vendor's terms and conditions which are contrary to, or deviate from, these Terms and Conditions of Purchasing.
3. Any and all agreements which have been concluded between the Customer and the Vendor shall be set down in writing in the contract.
4. These Terms and Conditions of Purchasing apply solely with respect to companies within the sense of Section 310 (1) BGB and not with respect to consumers.
5. Any and all deliveries and services shall be in compliance with the pertinent statutes, laws and regulations (hereinafter: Regulations). The above provision applies in particularly, but not solely, to Regulations related to safety (including Regulations related to safety in the supply chain such as AEO-F pursuant to Art. 14k Regulation EEC 2454/93), occupational and plant safety, health protection and environmental protection. Any and all deliveries and services shall be in compliance with the Customer's specifications and with the standards and bodies of rules the Customer has stipulated and must be performed on the basis of state-of-the-art technology.

The safety instructions given at the Customer site as well as those in work permits must be strictly observed and the safety and environmental instructions of the site security, safety and Customer personnel must be followed by Vendor employees. For Vendor activities as well as Vendor equipment used in Customer areas, the Vendor has prepared appropriate hazard assessments in accordance with the "Arbeitsschutzgesetz" and the "Betriebssicherheitsverordnung". Vendor equipment is suitable and maintained for the job. Vendor employees have the appropriate qualifications, trainings and medical assessments to carry out their tasks safely. Any hazards that may be posed by Vendor employees to third parties during their activities must be agreed in advance with the Customer supervisors. The safety-compliant performance of the activities of Vendor employees must be monitored by Vendor supervisors. Scaffolding may only be used by Vendor employees if a Vendor competent person has authorized its use on the scaffolding. Vendor immediately report Vendor injuries in Customer areas to Customer supervisors and participate in the incident investigations.

6. As it is a company committed to the guiding principles of action based on corporate responsibility and environmentally sustainable development, the Customer also expects the Vendor to comply with the "Guidelines on Sustainability for the Chemical Industry in Germany " of Chemie<sup>3</sup> ([www.chemiehoch3.de](http://www.chemiehoch3.de)) or with comparable principles.
7. All of the documentation, descriptions and plans that are required and usual in the trade are contained in each specific order and shall be provided by the Vendor to the Customer at no extra charge. Furthermore, the Vendor transfers to the Customer, free of charge and irrevocably, any and all rights (with the exception of copyrights) related to any and all work results from this contract. The Vendor grants to the Customer, free of charge, a transferable and unrestricted utilisation right for any and all types of utilisation to any and all work results protected by copyright. The Vendor indemnifies and holds harmless the Customer from and against any and all claims asserted with respect to the infringement of third-party intellectual property rights related to the exploitation of the work results. If and when intellectual property rights accruing to the Vendor before the entry into force of this contract are required for the exploitation of the work results, the Customer will receive, free of charge, a transferable, sublicensable utilisation right to said rights. The Vendor will stipulate any such intellectual property rights in writing to the Customer immediately.
8. The examination of plans, documentation or other services of the Vendor by the Customer shall not establish any co-responsibility on the part of the Customer; any such examination is without prejudice to any claims due to defects by the Customer.
9. The Vendor is responsible for any and all deliveries and services performed by its subcontractors to the same degree as for its own deliveries and services.
10. The Customer waives the SLVS (shipping, logistics and storage insurance).

## **II. Confidentiality**

1. The Vendor covenants to maintain confidentiality with respect to any and all business and operating secrets (such as pictures, drawings, calculations, specifications and other documentation) received from the Customer and to any and all knowledge and results (hereinafter: Information) acquired by the Vendor from this order; not to disclose any such secrets and Information to third parties; to utilise them solely for the performance of this order; and not to exploit them in any form, whether directly or indirectly, in whole or in part, under laws protecting intellectual property rights. This non-disclosure obligation shall survive the termination of the contract relationship.
2. The Vendor will obligate its employees, legal representatives and vicarious agents to observe the same non-disclosure provisions.
3. The non-disclosure obligations do not extend to any information which was in the public domain at the time of the disclosure by the Customer or which later entered the public domain through no action by the Vendor or which was legally disclosed to the Vendor by an independent third party who was not bound by a non-disclosure obligation.

## **III. Delivery Period**

1. The delivery date shown in the order is binding.
2. The Vendor is obligated to notify the Customer without delay in writing if and when circumstances occur, or if and when it becomes aware of any such circumstances, that will prevent it from complying with the agreed delivery period or performance date.

3. In the event of default of delivery, the Customer is entitled to statutory claims. In particular, the Customer is entitled to request damage compensation in lieu of performance and to rescind the contract after fruitless expiration of a reasonable period. If and when the Customer requests damage compensation, the Vendor is entitled to prove to the Customer that the Vendor is not accountable for the breach of obligation.

#### **IV. Prices - Terms and Conditions of Payment**

1. The price shown in the order is binding. Unless otherwise agreed in writing, the price includes delivery in accordance with INCOTERMS DDP (named place of destination) as most recently revised. The obligation to return the packaging is subject to a separate agreement.
2. The Customer is able to process delivery documents and pay invoices solely if and when, as noted in the Customer's order, they include the order number stipulated therein; the Vendor is responsible for any and all consequences resulting from failure to comply with this requirement unless it can show that it is not accountable for the failure.
3. The Customer is entitled to offset claims and to retention rights within the scope of legal statutes.

#### **V. Examination for Defects - Liability for Defects**

1. If and when the transaction concerns the procurement of a product, the Customer is released from the obligation to examine the incoming delivery immediately to the extent that the defects are not obvious and immediately discernible by simple visual inspection.
2. In the event of defects, the statutory limitation period commences anew upon their remedy; this provision applies as well to parts that have a functional connection to the defective part and for which the possibility of damage as a consequence of the defective part cannot be excluded.
3. If and when notification has been submitted in good time, the limitation period for the Customer's claims will be suspended as long as the Vendor has not definitively rejected the claims in writing.
4. Place of performance in all cases is the site designated in the order for the Customer's acceptance of the goods or, in the case of delivery with installation, the site of utilisation.
5. The Customer is obligated to examine the merchandise within a reasonable period of time to determine any aberrations in quality and quantity. The complaint of defects shall be deemed submitted in good time provided that it is received by the Vendor within a period of 3 weeks beginning with the receipt of the goods or, in the event of hidden defects, beginning with their discovery.
6. The Customer is entitled to statutory claims for defects without restriction; the Customer is entitled in each and every case to request from the Vendor, at the Customer's option, remedy of the defects or delivery of a new product. The right to damage compensation, in particular the right to damage compensation in lieu of performance, is expressly reserved.
7. If and when the Vendor does not properly fulfil its obligation to subsequent performance (and has not justifiably rejected the subsequent performance); or if and when the Vendor seriously and definitively refuses the subsequent performance; or if and when the subsequent performance has failed; or if and when the loss of utilisation must be feared; or if and when the remedy of the defect does not tolerate any postponement for any other reasons; the Customer is entitled to remedy itself the defect or to cause the defect to be remedied by a third party and to request reimbursement of the required expenditures from the Vendor. Legal statutes shall apply in all other respects. The above provisions are without prejudice to more extensive rights of the Customer arising from liability for defects or warranties.
8. The limitation period amounts to 36 months unless legal statutes provide for a longer period, beginning at the time of the passing of risk, unless compulsory provisions of Sections 478, 479 BGB intervene.

9. The Vendor bears the risk for accidental damage and accidental loss of any and all services to be performed pursuant to this contract until the acceptance or delivery. If and when a handover has been agreed or is owed, it is agreed that, in a case in which only parts of the work are handed over for utilisation, the Vendor will conduct an inspection jointly with the Customer with respect to the partial utilisation/handover. Neither the inspection nor the partial utilisation/handover constitutes an acceptance. It serves solely and exclusively to determine the status of the production and the possible tracking of any damage that may occur later. If and when the Customer uses part of the work before its acceptance, the Vendor is not liable for any loss or damage for which the Customer is accountable. The Customer bears the risk for normal wear and tear and any other risks resulting from the Customer's utilisation.

## **VI. Retention of Title**

1. The Customer reserves title to any parts and/or materials that it may provide to the Vendor. Any processing or alteration by the Vendor is undertaken on the Customer's behalf. If and when the Customer's reserved goods are processed together with other objects not belonging to the Customer, the Customer acquires co-ownership of the new object in the ratio of the value of the Customer's item (purchase price, plus VAT) to the other processed objects at the time of the processing.
2. If and when the object and/or materials provided by the Customer are inseparably mixed with other objects not belonging to the Customer, the Customer acquires co-ownership of the new object in the ratio of the value of the reserved goods (purchasing price, plus VAT) to the other mixed objects at the time of the mixing. If and when the mixing occurs in such a fashion that the Vendor's object must be regarded as the main object, it shall be deemed agreed that the Vendor conveys proportionate co-ownership to the Customer; the Vendor will safeguard the sole ownership or the co-ownership on the Customer's behalf.
3. If and when, and to the extent that, the Customer's security rights pursuant to Subsection (1) and/or Subsection (2) exceed the purchase price of all of the Customer's reserved goods for which payment has not yet been effected by more than 10%, the Customer is obligated, at the Vendor's request, to release security rights of the Customer's choosing.

## **VII. Liability**

1. The statutory provisions apply.
2. If and when the Vendor is liable for product damage, it is obligated upon first request to indemnify and hold harmless the Customer from and against any and all third-party damage compensation claims to the extent that the cause is within its control and organisation and it is itself liable in its relationship to third parties.
3. Within the scope of its liability for occurrences of damage or loss, the Vendor is also obligated, pursuant to Sections 683, 670 BGB or to Sections 830, 840, 426 BGB, to reimburse any and all expenditures which are incurred by or in relation to any recall action carried out by the Customer. The Customer shall, provided that it is possible and reasonable, notify the Vendor of the content and scope of the recall actions which must be carried out and give the Vendor the opportunity to submit a statement of its opinion. The above provisions are without prejudice to any other statutory claims of the Customer against the Vendor.
4. The Vendor covenants to maintain a product liability insurance policy with a minimum sum insured of €5 million per incident of personal injury/material damage - lump sum; this is without prejudice to any more extensive claims for damages to which the Customer is entitled.

### **VIII. Venue - Place of Performance**

1. If and when the Vendor is a merchant, the Customer's headquarters is the venue; the Customer is entitled, however, to file suit against the Vendor at the latter's domicile court.
2. Proper law shall be solely and exclusively the law of Germany, excluding application of the UN CISG. The INCOTERMS as most recently issued by the ICC apply as trade clauses.

Ismaning, May 2022