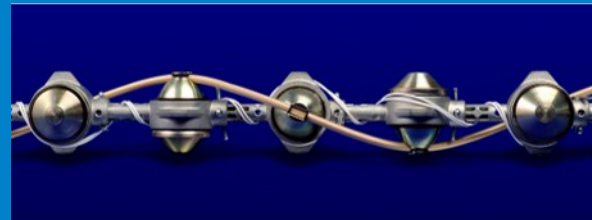


Supply Chain Management

Supplier Manual



SIX MODULES FOR SUCCESSFUL COOPERATION



GENERAL



SELECTION



ORDER



REQUIREMENTS



DEVIATIONS



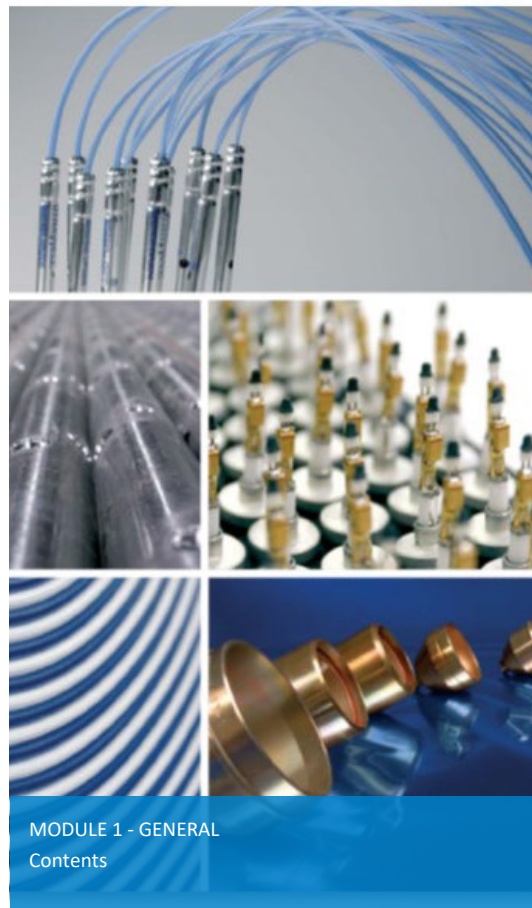
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- [1.10](#) **General terms and conditions of purchase**
- [1.11](#) **Business language**



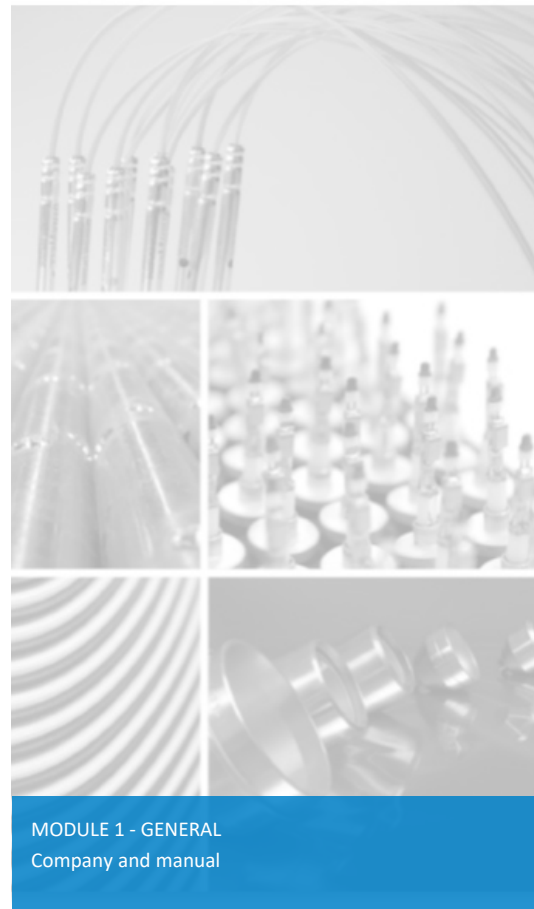
1.1 About the company

DynaEnergetics Europe GmbH is a subsidiary of DYNAMIC MATERIALS CORPORATION located in Boulder City, USA. DynaEnergetics is a leading global supplier of perforating systems. We develop, manufacture and sell explosives and the related hardware for the international oilfield industry, shaped charges, detonators, detonating cords, perforating guns, tools for tubing conveyed perforating, selective perforating systems, as well as detonators and explosives for the seismic industry.

1.2 Purpose

All our actions focus on the satisfaction of our customers. Therefore, the performance of our suppliers and partners a fundamental requirement for our corporate success.

This manual sets out the requirements on the part of DynaEnergetics and introduces the guidelines for a successful collaboration as partners. It is a binding basis for all existing and future supplier relationships of DynaEnergetics and applies in addition to the existing agreements. The clear requirements are intended to avoid additional effort, costs and problems.



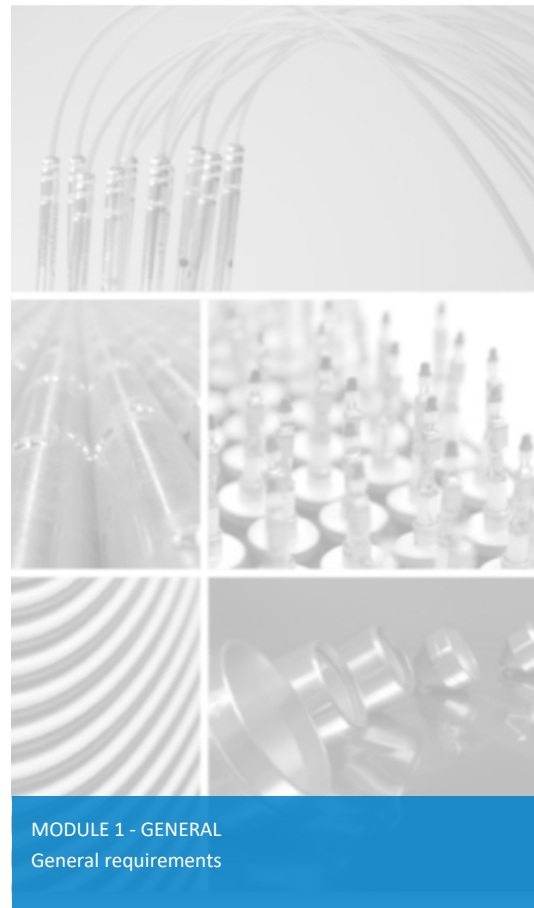
MODULE 1 - GENERAL
Company and manual

1.3 General requirements

Since 2003, we have been qualified according to the respectively current version of ISO 9001. In addition to the quality of our products and processes, we place great value on occupational safety, the relationship to our employees and business partners as well as our actions in a vulnerable environment; we have therefore developed our own standards in this areas as a code of conduct and have been certified according to ISO 45001 and ISO 14001.

We also expect a similar understanding from our suppliers and partners, who should be at least certified according to ISO 9001. If this is not the case, we are obligated towards our customers, employees and other interested parties to check whether the requirements at our suppliers and partners comply with ISO 45001 and that the necessary measures for occupational health, safety at work and environmental protection are implemented and followed.

If subcontractors are used, it must be ensured that they meet the general requirements.



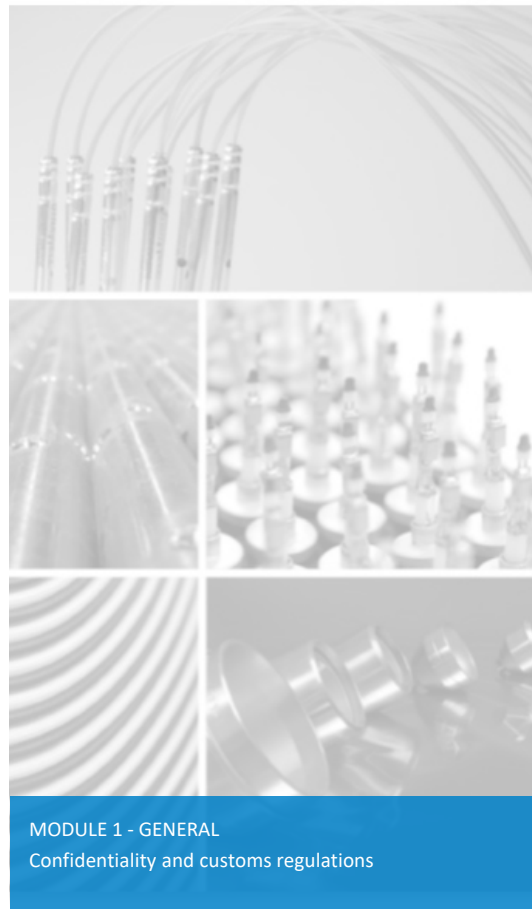
1.4 Confidentiality and non-disclosure declaration

Information, business and trade secrets, drawings or other relevant documents received by the respective other party, shall be treated confidentially and used exclusively for the performance of the respective business. The obligation of secrecy continues to apply even after the termination of the business relationship or the provision of the last confidential information. In the event that further regulations become necessary, the supplier and DynaEnergetics will conclude a confidentiality agreement.

1.5 Customs and foreign trade regulations

As an authorized exporter, DynaEnergetics has to fulfil official requirements. Some of these requirements also involve our suppliers.

- ④ The long-term supplier's declaration in accordance with the EEC must be submitted to us.
- ④ If the conditions for a long-term supplier's declaration are not met, we will require a certificate of origin. The supplier must apply for this certificate from the local chamber of commerce and forward it to us.
- ④ A tariff classification must be carried out in advance for goods from third countries. The relevant form can be found in the [Documents](#) section of DynaEnergetics.



MODULE 1 - GENERAL
Confidentiality and customs regulations

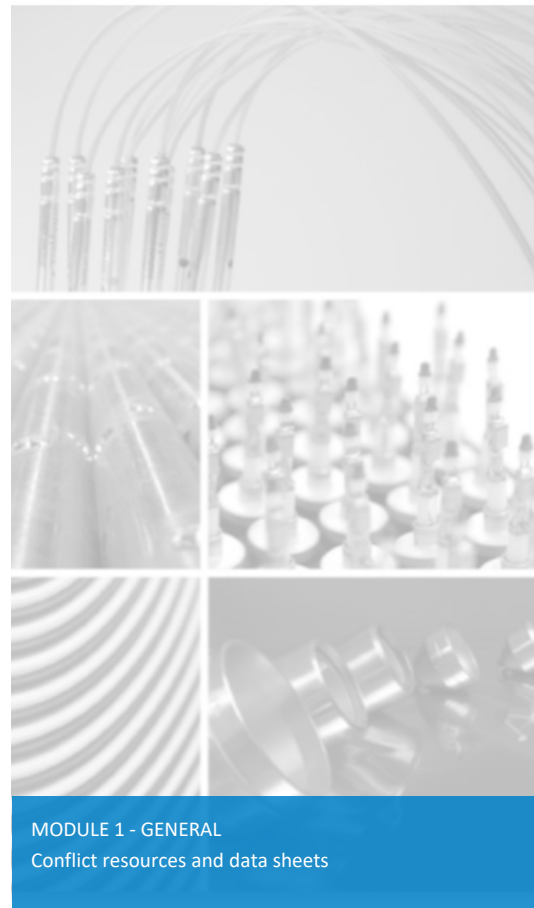
1.6 Conflict minerals

Conflict resources are natural resources whose systematic exploitation and trade in the context of a conflict can lead to serious human rights violations, violations of international humanitarian law or the realisation of international criminal law.

DynaEnergetics is obligated to ensure that its suppliers and partners do not use any minerals/commodities that are considered conflict minerals. This, for example, includes tantalum, tin, tungsten, gold from the Democratic Republic, Congo and neighbouring countries. Every year, we therefore require our suppliers to complete and return a conflict minerals questionnaire for the previous year.

1.7 Safety data sheets / Technical data sheets

The suppliers and partners shall ensure that the necessary data sheets are submitted to us without further request, i.e. in particular in the event of changes. The current data sheet must be sent to our purchasing department by email for each order or delivery.



MODULE 1 - GENERAL
Conflict resources and data sheets

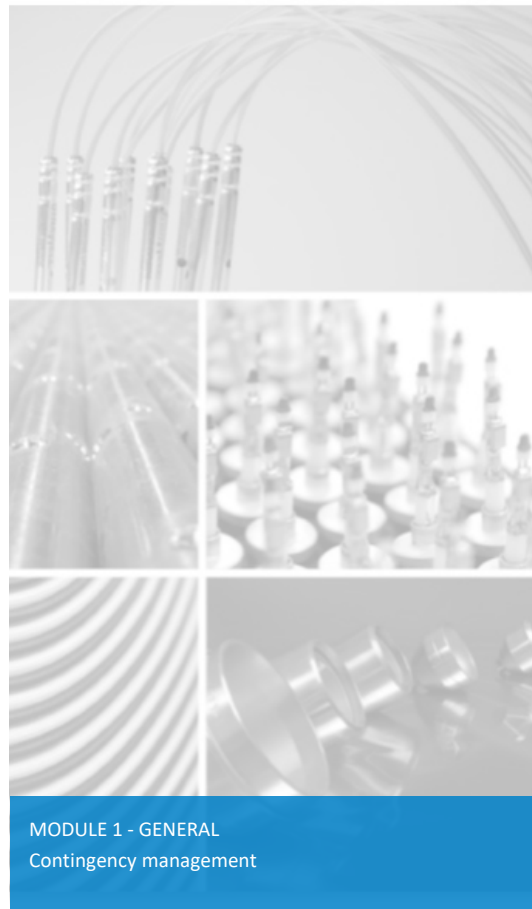
1.8 Contingency management

All suppliers are required to develop contingency plans to ensure the ability to deliver in the event of an emergency such as a strike, fire, insolvency of sub-suppliers, machine failure, etc. The suppliers must take appropriate precautionary measures to ensure that they are able to deliver fault-free products in the ordered quantity despite such emergencies. At the request of DynaEnergetics, these measures must be presented and implemented in a contingency plan.

Possible examples for measures are:

- ④ Maintenance/qualification of alternative production options
- ④ Safety stocks and storage at separate locations
- ④ Sufficient IT backup measures
- ④ Flexible capacities ensuring the capability to deliver through short-term rework (weekend work, extra shifts, etc.)
- ④ Establishment of alternative sources of supply for raw materials
- ④ Communication matrix with contacts and representatives in various departments

Events which may have a negative impact on the capability to deliver must be reported to the purchasing department of DynaEnergetics immediately.



1.9 Data privacy

The data you provide us with will be collected by us and stored at least for the duration of our cooperation. Personal data is specially protected against unauthorised access or misuse in accordance with the GDPR.

Our data protection officers and coordinators are listed under Contacts. You can find a general data privacy agreement under [Documents](#).

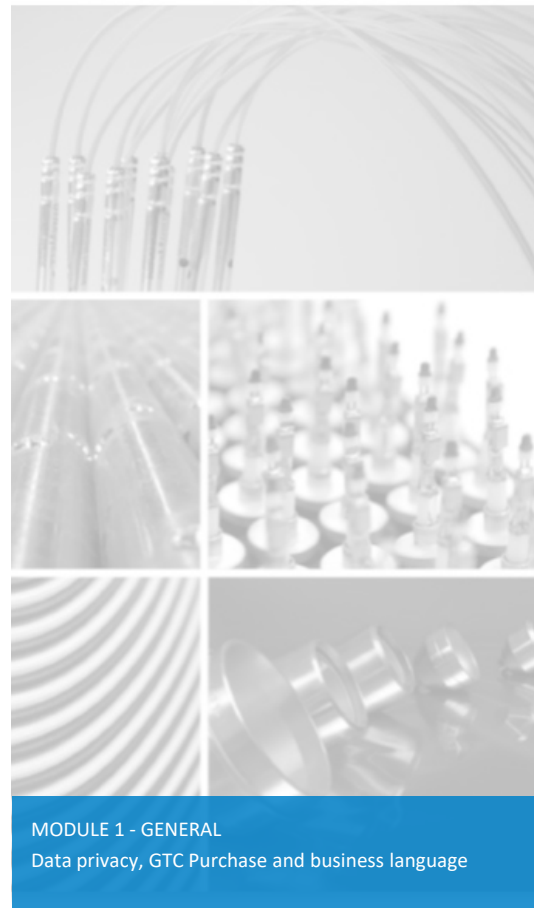
1.10 General terms and conditions of purchase

The general terms and conditions of purchase are generally valid for all orders / deliveries and are binding, also in addition to the conclusion of other contracts. You can find a current version in our [Documents](#) section.

1.11 Business language

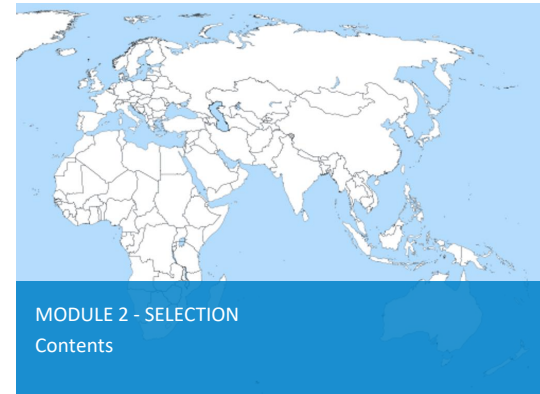
If only the masculine form is used for persons or groups of persons, this is not meant in a gender-specific way, but was done exclusively for reasons of better readability.

The business language is German or English. Other languages may be possible on request.



MODULE 1 - GENERAL
Data privacy, GTC Purchase and business language

- [2.1](#) **Supplier profile**
- [2.2](#) **Supplier selection process**
- [2.3](#) **QAA - quality assurance agreement**



2.1 Supplier profile

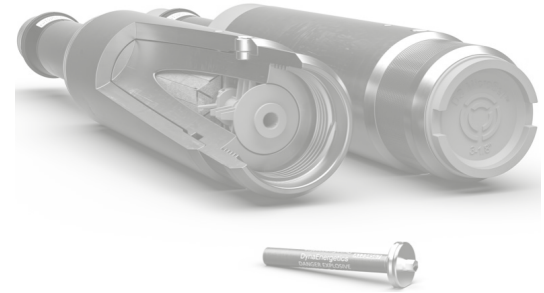
As a leading supplier of perforating systems, DynaEnergetics strives to both successfully compete on the increasingly competitive global market as well as meet the growing customer expectations. And we expect the same from our suppliers and business partners.

Completion of our “supplier questionnaire” forms an important basis for the assessment of the performance of potential suppliers. You can find a current version under [Documents](#). Please provide us with your environmental and quality certificates as well as any changes to these without further request.

2.2 Supplier selection process

In addition to environmental, economic and logistical aspects, reliability and quality are essential criteria for the selection of suppliers.

We reserve the right to conduct a potential analysis / audit in the case of suppliers who do not meet the requirements.



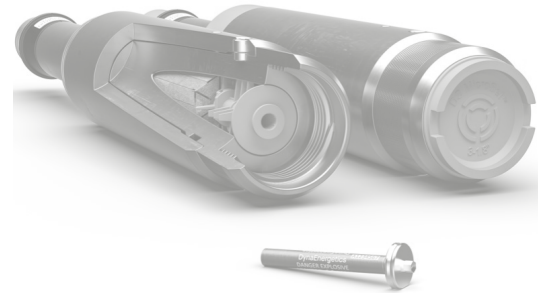
MODULE 2 - SELECTION
Supplier profile and selection

2.3 QAA - quality assurance agreement

In general we are interested in a long-term business relationship characterized- through mutual trust. And we want to create the basis for this with a quality assurance agreement. This includes the following priorities:

- 🔍 Quality assurance measures
- 🔍 Obligation of the supplier to provide proof and information
- 🔍 Sampling of products / materials
- 🔍 Quality assurance and complaints
- 🔍 Material defects
- 🔍 Environmental protection
- 🔍 Security logistics
- 🔍 Quality representative
- 🔍 Scope and duration
- 🔍 Final provisions

You can find a general QAA under [Documents](#).



MODULE 2 - SELECTION
QAA

- [3.1](#) **Inquiries and offers**
- [3.2](#) **Order processing**
- [3.3](#) **Consignment stock**
- [3.4](#) **Forecast**
- [3.5](#) **Supply guarantees**



3.1 Inquiries and offers

The offer is prepared at the request of DynaEnergetics and must correspond to the requested scope of services (including the requirements set out in this manual). If further information is required for the preparation of a complete and binding offer, the supplier has to clarify this with their contact person before submitting the offer.

The offer must include all costs incurred during manufacture and supply. In the case of tool-based components, other tool costs must be stated in addition to the unit price.

Unless explicitly agreed, surcharges, offer deadlines or minimum purchase quantities will not be accepted; furthermore, the offer must be made in writing.



MODULE 3 - ORDER
Inquiries and offers

3.2 Order processing

DynaEnergetics works with various ordering processes such as individual and annual orders, delivery schedules (scheduling agreements). Prices, quantities, payment and delivery conditions, as well as additional relevant agreements are specified thereunder.

If necessary, we order the initial sample parts as a separate delivery item. All costs associated with the sampling and release of materials/parts shall be covered by the supplier; unless these costs are mentioned in the offer and ordered by DynaEnergetics.

The supplier shall promptly check the feasibility of the order and immediately inform the supply chain management in case of recognized problems. Otherwise we expect the written order confirmation within three working days with indication of our part number and order number.

All expenses, e.g. additional surcharges, special freight, delays, which were caused by the supplier, will be passed on to the supplier.



MODULE 3 - ORDER
Order processing

3.3 Consignment stock

In the case of consignment goods, the supplier remains the legal and economic owner of the goods until they are removed from the consignment stock.

The consignment stock is located on the premises of DynaEnergetics. Warehousing is carried out by DynaEnergetics. Consignment shipments will be ordered by DynaEnergetics. The supplier can inspect and check the stock at any time.

Before setting up a consignment stock, a contract must be signed between the relevant legal entities of the supplier and DynaEnergetics. The corresponding contract is drawn up by DynaEnergetics, defining relevant details such as maximum storage periods, withdrawal, warehousing and invoicing.



MODULE 3 - ORDER
Consignment stock

3.4 Forecast

DynaEnergetics strives for an active and open cooperation with our suppliers. The provided forecast information is to ensure the continuous ability to deliver.

The forecast is based on the inventories and upcoming requirements from real customer orders and planned sales recorded at the time. It is not a binding order and is only used for planning purposes.



MODULE 3 - ORDER
Forecast

3.5 Supply guarantees

All agreed dates and deadlines are binding. The supplier must deliver or provide the goods on time in accordance with the agreed incoterms.

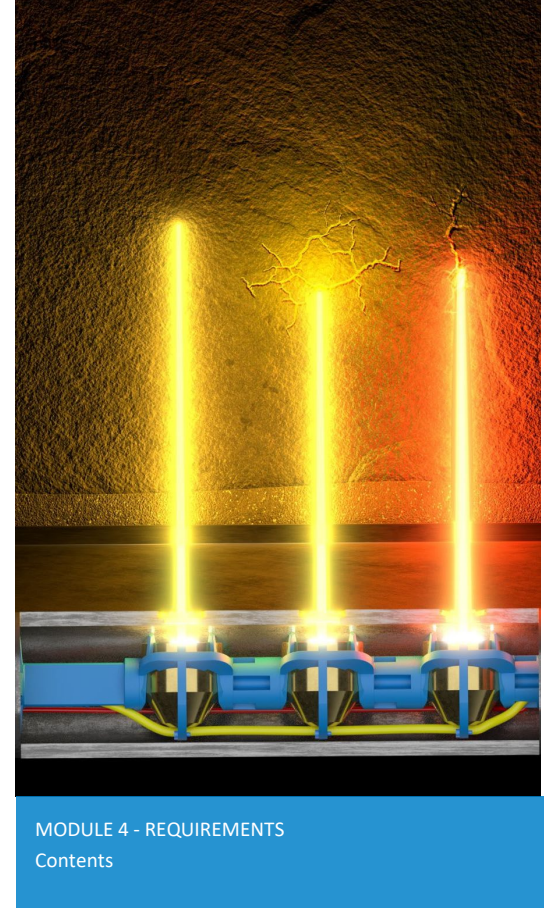
If the supplier realises before the due date that they cannot meet the agreed delivery date, they must inform the purchasing department immediately in writing, stating the duration and the reasons for the delay. The supplier is obligated to submit proposals to DynaEnergetics as to how a timely delivery can still be achieved or ensured. Any costs resulting from this are to be covered by the supplier.

DynaEnergetics is not obligated to accept deliveries before the agreed delivery date and reserves the right to return such deliveries at the supplier's expense or to store them at the supplier's expense and risk. Partial deliveries are only accepted upon agreement.



MODULE 3 - ORDER
Supply guarantees

- [4.1](#) **Material specifications**
- [4.2](#) **Change management**
- [4.3](#) **Initial samples**
- [4.4](#) **Test equipment & test plan**
- [4.5](#) **Tools**
- [4.6](#) **Traceability and batch requirement**
- [4.7](#) **Packaging**
- [4.8](#) **Dangerous goods**
- [4.9](#) **Transport**
- [4.10](#) **Accompanying documents and unloading**
- [4.11](#) **Addresses of DynaEnergetics Europe GmbH**
- [4.12](#) **Safety instructions**
- [4.13](#) **Goods receipt inspection**
- [4.14](#) **Refusal of acceptance**

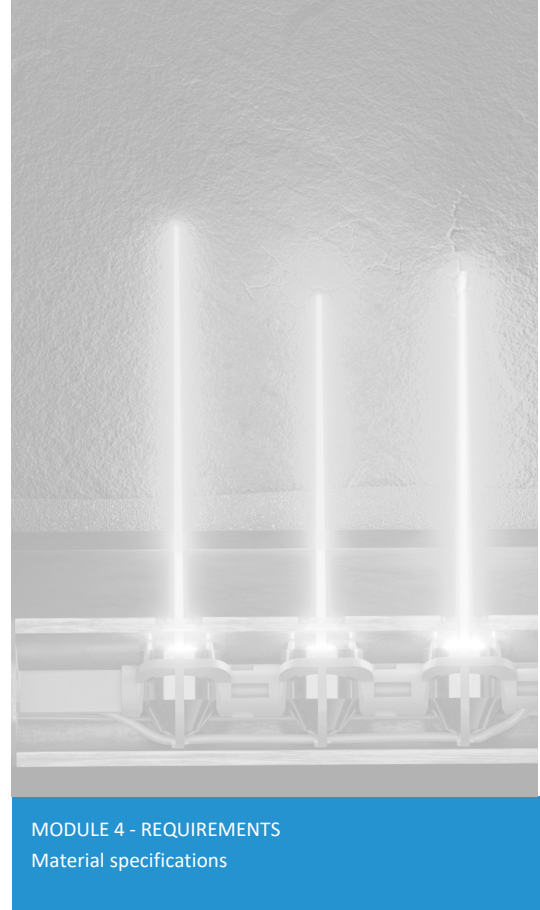


MODULE 4 - REQUIREMENTS
Contents

4.1 Material specifications

All purchase orders are placed on the basis of material specifications. These can be in the form of technical data sheets, drawings or standard specifications. In all cases, the most recent version sent by us shall be valid. The supplier is obliged to check the changes and to contact DynaEnergetics immediately in case of objections.

Any non-fulfilled requirements shall also be considered a deviation.



MODULE 4 - REQUIREMENTS
Material specifications

4.2 Change management

In accordance with ISO 9001 on quality management and CE certification requirements, all changes that may affect the conformity of a product must be made known to the customer and thus to DynaEnergetics before delivery.

Among other things, this serves to ensure our own product conformity. As we work with dangerous goods, this not only concerns product safety but also in particular application safety.

Depending on the degree of change, modified products require an extended goods receipt inspection, requalification and/or field tests at the customer's.

Costs as well as risks, which are associated with missing information from the supplier due to changes, will be charged to the supplier if necessary.

A change notification can be found under [Documents](#).



MODULE 4 - REQUIREMENTS
Change management

4.3 Initial samples

A new product, as well as any changes to an already existing product, require initial samples and initial part releases. In accordance with the agreed requirements, the supplier produces the initial sample and sends it to DynaEnergetics together with an initial sample report. The initial sample is then inspected by our quality and development department and either released or criticised. If the supplier plans to implement a product change, this must be coordinated with DynaEnergetics in advance to make the change process more efficient.

The initial sample must be clearly marked as such on delivery and the relevant reference details such as drawing number and material specification must be stated in the accompanying documents.

Only when the initial samples have been released in writing, may further repetitive production quantities be produced, provided that an order has been placed by DynaEnergetics.

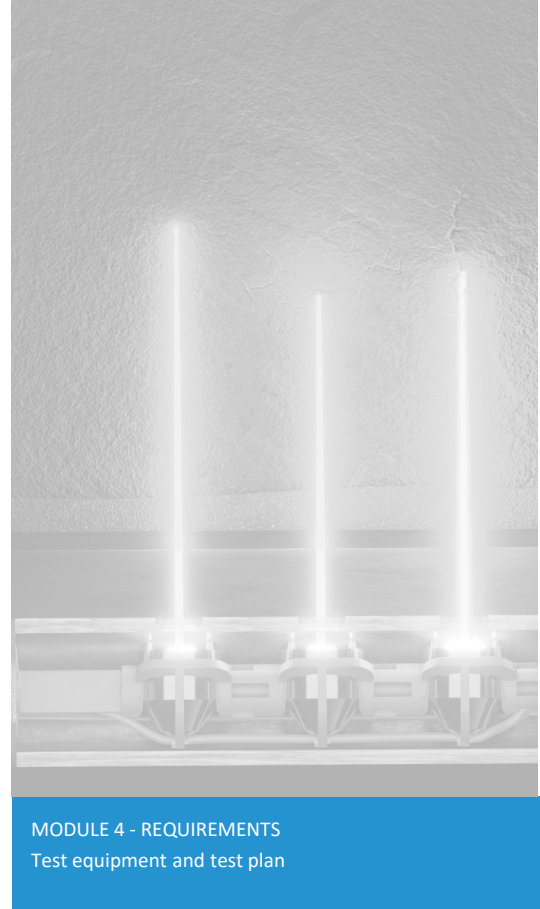


4.4 Test equipment and test plan

The supplier is responsible for compliance with the test plans. The maintenance and calibration of owned test equipment is the responsibility of the supplier.

Depending on the product or request, it is possible for us to provide test plans, test equipment or test gauges.

Should DynaEnergetics provide test equipment, the supplier is responsible for the careful handling and storage of the test equipment. Also, the supplier must always know where the test equipment is located and that it is protected from damage in the best possible way.



MODULE 4 - REQUIREMENTS
Test equipment and test plan

4.5 Tools

The supplier shall use appropriate technical means for design and manufacturing and conduct a complete dimensional accuracy check on the tools and gauges. Should one of these activities be assigned to a subcontractor, the supplier shall use an appropriate monitoring and tracking system. DynaEnergetics-owned as well as customer-owned tools and equipment must be permanently marked to make ownership clear and maintain it. Tools are released within the scope of a successfully completed initial sampling of the parts to be produced. The initial sample release also includes the tool release.

Once a year and without further request, we expect to receive a tool condition report stating:

- ④ Article number of the part to be produced
- ④ Output quantity produced
- ④ Output quantity still to be expected
- ④ Maintenance or repairs carried out (planned and unplanned)
- ④ Expected maintenance and repairs for the following period

The storage, insurance and maintenance of DynaEnergetics-owned tools, moulds, gauges and test equipment is free of charge for DynaEnergetics.



4.6 Traceability and batch requirement

The supplier undertakes to ensure identification throughout the entire transport and storage process by means of the agreed labelling and the associated accompanying documents. In the event of damage or loss, traceability right back to the raw material serves to minimize damage. Traceability should be carried out in a practicable way incorporating production processes at the sub-supplier. Quality records must be ensured with a clear link between products and their production batch as well as their inspection batches..

In some cases, DynaEnergetics may define specifications for batch numbers. However, this will be discussed in detail when the order is placed.

Mixed packages / mixed containers with different batch numbers in one package are not desired. If mixed pallets cannot be avoided, these must be specially marked.



MODULE 4 - REQUIREMENTS
Traceability and batch requirement

4.7 Packaging

The products must be delivered in suitable, agreed and approved containers or means of transport in order to exclude quality degradation.

The selected packaging must comply with the requirements of the goods to be packed and the general packaging principles (type, material and labelling, etc.). Fragile goods must be packaged accordingly and visibly marked as such.

The supplier or carrier must pack the goods sorted by type. Different change/revision statuses of goods may not be put together in one package.

We expect the packaging to be ecologically responsible and resource-saving. Filling material consisting of packaging chips and polystyrene should always be avoided. Exchangeable pallets, pallet cages/reusable containers are preferable.

4.8 Dangerous goods

With regard to dangerous goods, the supplier commits to comply with all statutory provisions and hazardous goods regulations and ensure suitable transport. In the event of non-compliance or non-conformity, the supplier shall be liable for any damage incurred.



MODULE 4 - REQUIREMENTS
Packaging and dangerous goods

4.9 Transport

The responsibility for transport results from the previously agreed delivery condition according to Incoterms 2020.

The individual goods shall be put together in a safe loading unit and secured against slippage during transport. A high packaging density must be ensured to keep the costs for transport and packaging components low.

Where possible, DynaEnergetics works with written instructions and with confirmation that the goods are to be transported with a specific transport company. This serves as security for the supplier and prevents unauthorised parties from making demands and taking over shipments without being instructed. The supplier is responsible for compliance with the laws and regulations on load securing.

Where the goods are collected by DynaEnergetics, the collection period must be communicated in due time under specification of the complete packaging details (packages, dimensions, weight) and collection address.



MODULE 4 - REQUIREMENTS
Transport

4.10 Accompanying documents and unloading

The following documentation is mandatory for all deliveries and must be sent in copy to Supply Chain Management (email address under Contacts) in PDF format:

- ④ Technical data sheets
- ④ Test reports to be sent to QS DynaEnergetics
quality.germany@dynaenergetics.com
- ④ Material safety data sheet

In addition, all accompanying documents (order confirmation, delivery note and shipping documents, etc.) must contain the following information:

- ④ Order number
- ④ Article number
- ④ Batch number
- ④ Material designation
- ④ Specification on drawing / material specification
- ④ Weight

The goods must be placed in such a way that there is no danger to persons, vehicles or third parties during unloading. Delivery must be made in vehicles capable of ramp and rear unloading. When dealing with lengthy goods, the vehicle must be able to be unloaded from the side and the pallet height may not exceed 1.50 metres.



MODULE 4 - REQUIREMENTS
Accompanying documents and unloading

4.11 Addresses of DynaEnergetics Europe GmbH

- 📍 Kaiserstr. 3, 53840 Troisdorf
Goods Receipt / Warenannahme: Mondays – Fridays, 06:45 am to 03:00 pm
- 📍 Graf-Zeppelin-Str. 8, 56749 Liebenscheid
Goods Receipt / Warenannahme: Mondays – Fridays, 07:00 to 03:00 pm

4.12 Safety instructions

On the entire premises, mobile phones may only be carried when switched off. Smoking is prohibited on the entire premises. This also applies to e-cigarettes. Owned matches / lighters may not be brought into the factory area. Cameras, smartphones and similar devices for taking photos may only be used with the prior consent of the management.

Industrial trucks as well as explosives transports must always be given the right of way. This also applies to pedestrians with transport boxes or handcarts (recognisable by high-visibility waistcoats or warning signs). The greatest possible distance must be maintained. In some cases, only limited winter road maintenance is provided on the paths and squares.

Visits to the production areas are only permitted if accompanied and with the permission of the production management.



4.13 Goods receipt inspection

DynaEnergetics checks the incoming goods only in respect of quantity, identity number and obvious transport damages as well as checking that agreed test reports have also been received. If a defect is found, DynaEnergetics informs the supplier immediately. Defects not found during the Goods In inspection will be notified to the supplier as soon as they are detected during normal business.

Depending on the type and scope of the complaint, all costs incurred will be charged to the supplier.



MODULE 4 - REQUIREMENTS

Goods receipt inspection and refusal of acceptance

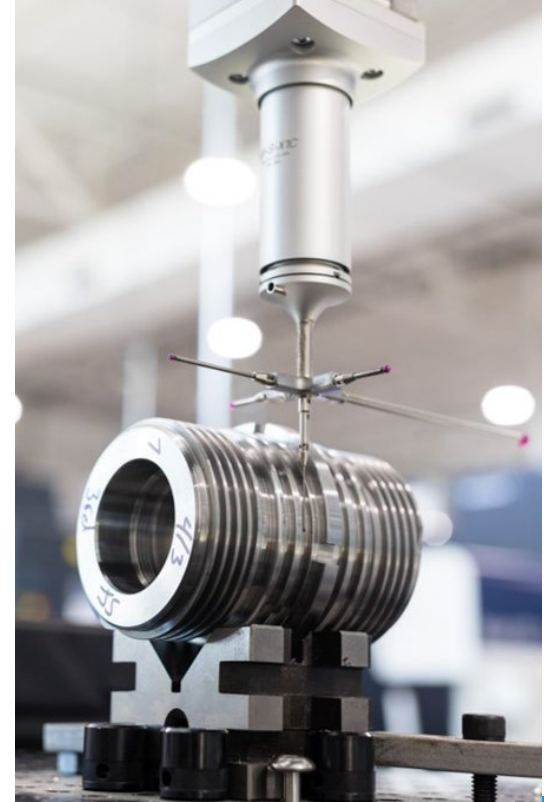
4.14 Refusal of acceptance

Acceptance of incoming goods can be refused if there are compelling reasons. As a rule, the supplier will be consulted.

- Ⓢ Delivery not on time
- Ⓢ Damage during transport
- Ⓢ Incorrect labelling of the goods
- Ⓢ Quality defects that make it impossible to sell or process the goods
- Ⓢ Unacceptable quantity overruns
- Ⓢ Generally wrong deliveries



- [5.1](#) **Detection of deviations prior to shipment**
- [5.2](#) **Complaints after goods receipt inspection**
- [5.3](#) **Replacement delivery or rework (on site/at the supplier's)**
- [5.4](#) **8D report / corrective actions**
- [5.5](#) **Supplier audits**



MODULE 5 - DEVIATIONS
Contents

5.1 Detection of deviations prior to shipment

In exceptional cases DynaEnergetics permits the supplier to deliver products which are not to specification. This change notification, which must be in writing, always relates to a defined delivery period, to a defined volume of parts or to a defined batch. Deliveries with change notification must be labelled clearly with reference made to the change notification granted. The supplier must always submit the application for a change notification to DynaEnergetics in good time before the scheduled delivery.

Delivery of non-specification products without change notification is not permitted and will lead to a complaint.

For a change notification to be granted, there must be strict compliance with the following conditions:

- The deviation must not affect the function or performance. Data and test results which confirm this must be available at DynaEnergetics.
- The deviation does not significantly affect sub-processes or subsequent production processes including assembly processes at DynaEnergetics's customer.



Measures are introduced by the supplier to prevent the recurrence of this deviation. The granting of a change notification by DynaEnergetics does not mean that the supplier's products are free from defects with regard to the approved deviation. If defects occur the liability claims of DynaEnergetics follow the contractually agreed specification.

Also see the notes on [change management](#).

5.2 Complaints after goods receipt inspection

Where defects or deviations are detected during a goods receipt inspection or during further processing, the supplier will be informed about the defect by means of a supplier notification or complaint.

The further procedure (credit note / replacement delivery with recalculation) is then decided in coordination with quality assurance and supply chain management. The main focus of complaint handling must be supply reliability for production. If downtimes occur, compensation costs for downtimes may incur, which will be charged to the supplier.



5.3 Replacement delivery or rework (on site/at the supplier's)

In general, defects are classified as SLIGHT, MEDIUM and SEVERE. Depending on the classification, DynaEnergetics will inform the supplier and set the following expectations.

Defect	Impact	Notification to DynaEnergetics	Expectations to supplier
SLIGHT	Further processing possible with no or little additional effort	Informal notification via email or telephone	Informal written reply/statement
MEDIUM	Further processing only possible with considerable additional effort, slowdown of the production process	Official deviation report via email	Compensation of the additional effort depending on the type of defect; 8D report with root cause analysis (RCA) desired
SEVERE	No further processing possible, disruption of the production process	Official deviation report via email; possibly notice of defects	Immediate replacement delivery or compensation depending on the type of defect; 8D report required with root cause analysis (RCA)



MODULE 5 - DEVIATIONS
Actions and reports

5.4 8D report / corrective actions

In case of medium and severe defects, DynaEnergetics expects a deviation report (8D report), which includes the following points:

- ④ D1 Determination of the team
- ④ D2 Problem description
- ④ D3 Damage limitation
- ④ D4 Root cause identification
- ④ D5 Definition of actions to eliminate the causes found
- ④ D6 Measure implementation / effectiveness checks
- ④ D7 Prevention of recurrence
- ④ D8 Conclusion

5.5 Supplier audits

We reserve the right to carry out regular audits of our suppliers or sub-suppliers. It goes without saying that these take place in coordination with the supplier and sub-supplier as required (e.g. in the event of deviations, complaints, etc.).



MODULE 5 - DEVIATIONS
8D Report and audits

[6.1](#) **Supplier evaluation and development**

[6.2](#) **Supplier visits**



MODULE 6 - PROSPECTS
Contents

6.1 Supplier evaluation and development

We conduct supplier evaluation to systematically and comprehensively measure and assess the performance of our supplier base. Supply chain management will conduct a comprehensive supplier evaluation of the strategic suppliers twice a year.

The results of the supplier evaluation provide us with a decision-making basis for the selection of suppliers for repetitive production products and new products. They help us to develop our supplier base with the aim of long-term cooperation as partners. Poor results will result in coordinated improvement actions.

The supplier evaluation system used for this supports the development, improvement and monitoring of supplier performance with regard to the target figures set out in a general procurement strategy (e.g. environment and quality, costs delivery service and technology) with the aim of reducing both material and process costs. Furthermore, it serves as an information tool for the supplier's qualification status for future partnerships.



MODULE 6 – PROSPECTS

Supplier evaluation and development

6.2 Supplier visits

DynaEnergetics employees will make visits to the supplier's premises to deepen the common understanding of the cooperation, to deal with current topics and concerns or within the framework of supplier management.











The corresponding date for such visits is jointly agreed in advance and ideally an agenda is provided. Visits of our suppliers and their field staff/representatives to DynaEnergetics also require prior coordination.

Our focus is to build fair and long-term business relationships and to work together as partners.



MODULE 6 – PROSPECTS
Supplier visits

DOCUMENTS

 Lieferant Basisdaten	Lieferantenfragebogen Basis	 Supplier Basic Data	Supplier questionnaire basics
 Lieferant Detaildaten	Lieferantenfragebogen Details	 Supplier Detail Data	Supplier questionnaire details
 8D Report Lieferant	Lieferantenreklamation / 8D Report	 8D Report Supplier	Supplier deviation report / 8D report
 Änderungs Meldung	Änderungsmeldung (Spezifikation/Prozess)	 Change Notification	Change notification
 Zoll Eintarifierung	Zoll Eintarifierung	 Customs Tariff	Customs tariff classification
 QSV	QSV Qualitätssicherungsvereinbarung	 QAA	QAA Quality assurance agreement
 Datenschutz Vereinbarung	Datenschutzvereinbarung (DSGVO)	 Data Protection Agreement	Data protection agreement (GDPR)
 Geheimhaltung Vereinbarung	Geheimhaltungsvereinbarung	 Confidential Agreement	Confidentiality agreement

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. Preamble

The following terms and conditions apply to all contractual relations with us based on our orders (goods and services excepting construction, architect and engineer services) inasmuch as we do not deviate here from in our orders or in individual cases stipulate otherwise in written form. In addition, the general terms and conditions as provided by law shall also be applicable. We do not recognize any standard terms and conditions containing provisions deviating from our conditions of purchase or from the general terms and conditions provided by law, even if we did not object in a particular case.

2. Written Form of Order

Our orders are binding only if placed in the order. This also applies for any alterations and supplements.

3. Delivery

Delivery must be to the place stipulated in the order according to agreed incoterms. Goods shall be packed as necessary to prevent any damage, dirtiness or changes during transport. In the selection of the packing, its carrying capacity and stackability is to be taken into consideration. The vendor shall give us timely notification of the type of packing for approval prior to the shipment. Our approval of the packaging does not absolve the vendor of his responsibility to ensure that the transport takes place in due order. Stipulated shipment dates and deadlines are binding. Whether the delivery date or deadline is met is determined by the arrival of the goods or the performance of the service at the place stipulated in the order. When shipping the goods, the vendor shall conform to official regulations and laws, the recognized rules of technology, safety regulations and the contracted specifications. Even if not stipulated in the order, the vendor must supply to protective facilities required by the applicable accident prevention laws.

4. Return of Packaging

Returnable transport packaging, repackaging and sales packaging must be taken away by the vendor either directly after delivery or – if this is not required by the circumstance or is not reasonable for other reasons – removed without delay at own cost from the place stated in the order.

5. Warranty

If not arranged otherwise, the vendor shall warrant the performance against defects in workmanship or materials and that it possesses the specified properties of the goods or the performance of services according to the legal requirements. Irrespective of the remaining rights arranged with the vendor or provided by law, we have the right to with – draw from the supply contract

or demand liability damages due to non-compliance if rectification of defects is not possible within a reasonable period within which to make performance. This also applies if the defects cannot be remedied. We shall inspect the shipment in accordance with standard procedures within three weeks of arrival of the goods. "In due course" in the sense of section 377, paragraph 1, section 378 of the German Commercial Code (HGB) is any inspection that is performed within this period. We shall notify the vendor of any defects in due course as they are determined following standard procedures. "In due course" in the sense of section 377, paragraph 1 and 3, section 378 of the German Commercial Code (HGB) is any notice of defects given within three weeks after the fault was detected. To interrupt the limitation period it is sufficient to give notice of defects within the warranty period.

6. Proprietary Rights

The vendor is responsible for ensuring that patents or other proprietary rights of third parties and the relevant notices are not violated by the use of the supplied goods or the performance to services – also by our customers. The vendor shall release us and our customers from all claims by third parties arising from the use of such proprietary rights.

7. Terms of Payment

Invoices in duplicate shall be submitted to our accounting department in Troisdorf separately from the shipment of the goods or performance of the services. Payment will be made 60 days after receipt of the invoice by our accounting department net if not arranged otherwise, provided that the delivery or the service has been performed according to contract.

8. Delays

If the receipt or processing of the shipped goods and services by us or our customers is delayed by acts of God, labour troubles, riots, government regulations or other unforeseeable, unavoidable and serious conditions, the mutual obligations of performance shall not apply for the duration of the disturbance and in the scope of effect.

9. Secrecy

The vendor shall treat the order and all not apparently business and technical details revealed to him through our business relations as a business secret and therefore strictly confidential, and neither disclose them in part or indirectly make them accessible to third parties and only to use them for the purposes specified in the contract. A transfer to third parties or any other use of thereof is permissible only with our prior written approval. This obligation

to maintain secrecy applies in particular to our know-how and to models, samples, templates, manufacturing facilities, tools, measuring and test equipment, manufactured materials, drawings, factory data sheets, copy proofs and delivery specifications provided by us. The reproduction of such objects is permitted only in the scope of the purposes specified in the contract and by copyright provisions. The stated objects remain our property and they must be returned at our request without delay including any copies thereof. Subcontractors must be obligated accordingly.

10. Transferability of Rights and Obligations

The right and obligations of the vendor may be transferred to third parties only with our prior written permission. This applies in particular to titles of payment.

11. Other terms

If the vendor stops payments or bankruptcy proceedings are opened on his assets or court or out-of-court composition proceedings are applied for, we are then entitled to cancel the unfulfilled part of the contract. If single terms of these conditions of purchase or any further arrangements should become wholly or partially null and void or not performable or lose their effectiveness or feasibility at a later date, the remaining terms and conditions will still remain valid. The contractual partners are under obligation to replace the effective or infeasible term or condition by a settlement with a, if at all possible, similar economic result. Place of performance is the delivery address given in the order. The sole place of jurisdiction for mutual contractual relations is Troisdorf. However, we are entitled to assert our claims at the general place of jurisdiction of the vendor. The laws of the Federal Republic of Germany shall be applicable in mutual contractual relations under exclusion of the United Nations agreement related to international contracts on the sale of goods (uniform UN law on sale of goods).

Troisdorf, January 2020

DATA PRIVACY - DISCLAIMER

We take the protection of your personal data very seriously. As personal data enjoys special legal protection, we only collect it to the extent necessary for the provision of our business relationship. Our data protection practices comply with the legal provisions, in particular those of the German Federal Data Protection Act (BDSG) and the EU's General Data Protection Regulation (GDPR). We will only collect, process and store your personal data to the extent necessary for the processing of orders/contracts, however only insofar as there is a legitimate interest as defined by Art. 6 (1) Sentence 1 f GDPR or for other legitimating reasons.

You have the right to free information about your stored data as well as the right to rectification, restriction of processing or erasure of this data at any time. Your data will be erased by us upon first request, provided that there are no opposing legal provisions. You can revoke your consent to the use of your data at any time.

Responsible within the meaning of the GDPR and other national data protection laws of the member states as well as other data protection regulations:

- 🔒 Responsible Managing Director: Achim Pabst
- 🔒 Data Protection Officer: Michaele Grün
- 🔒 Contact details: datenschutz@dynaenergetics.com, +49 2241 1236 786

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