



Tyre Inflation Systems

GENERAL TERMS AND CONDITIONS OF SALE AND DELIVERY OF PTG REIFENDRUCKREGELSYSTEME GMBH

(Version: June 2024)

The following General Terms and Conditions of Sale and Delivery will apply exclusively to all present and future transactions between PTG Reifendruckregelsysteme GmbH (hereinafter "PTG", "we" or "us") and the Purchaser, unless otherwise agreed in writing in individual cases. In particular, they will also apply if deviating general terms and conditions of business of the Purchaser of any kind whatsoever conflict with them, even if these have not been expressly contradicted in individual cases. Supplementary, conflicting or different terms and conditions of the Purchaser will only apply if and insofar as they are recognised by us in writing in individual cases.

1. GENERAL INFORMATION

- 1.1** Our offers are subject to change. A delivery or purchase contract is only concluded when we accept the order in writing.
- 1.2** The quantity, quality and description and any specification of the Products will be as set out in our offer (if accepted by the Purchaser) or order (if accepted by us). The Purchaser will be responsible for the accuracy of the order and for providing us with any necessary information relating to the Products ordered within a reasonable time to enable the order to be fulfilled in accordance with the contract.
- 1.3** We reserve all ownership rights and copyrights to all samples, specifications, drawings, cost estimates, price lists and similar information. We reserve ownership rights and copyrights to all tangible and intangible information - including in digital form; such information may not be made accessible to third parties even if we do not expressly prohibit this.

2. DELIVERY AND TRANSFER OF RISK

- 2.1** Information on delivery times refers to the dispatch of the products ex works or ex warehouse and always represents a non-binding preview, unless we have expressly agreed otherwise with the Purchaser. An agreement to that effect must be made in writing. Even then, this will only be accepted on the condition of uninterrupted production and normal transport conditions. The consequences of force majeure (e.g. fire, explosion, flooding), official measures and other unforeseen circumstances (e.g. strikes, lockouts) affecting us and the suppliers of the materials required for our products will release us from the duty to deliver on time and will also give us the right to suspend further deliveries without any duty to make subsequent deliveries.
- 2.2** Partial deliveries are permissible insofar as we are also only supplied with a partial delivery by our suppliers, they are reasonable for the Purchaser and, in particular, no considerable additional expenditure or considerable additional costs are incurred by the Purchaser as a result, unless in the latter case we declare our willingness to bear the corresponding additional costs incurred by a partial delivery. In this case, we will inform the Purchaser immediately about the partial deliveries.
- 2.3** Without prejudice to other rights, we may demand an extension of delivery periods or a postponement of delivery dates by the period in which the Purchaser fails to fulfil his contractual duties to us due to a delay on the part of the Purchaser. The defence of non-performance of the contract - as well as further rights or claims - will remain reserved. The provision of services by us also requires compliance with the agreed terms of payment. If these conditions are not fulfilled in good time, the deadlines will be extended accordingly; this will not apply if we are responsible for the delay.
- 2.4** If we are in default, the Purchaser may demand compensation for damages incurred and substantiated by him, up to a maximum of 0.5% for each completed week of delay, but not more than a total of 5% of the net price for the part of the delivery item affected by the delay. The



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Purchaser is entitled to provide evidence of higher damages, and PTG to provide evidence of lower damages, than the maximum amount according to sentence 1.

- 2.5** If we are in default of delivery, the Purchaser has the right to withdraw from the contract after a reasonable grace period has elapsed in lieu of the claim under paragraph 2.4.
- 2.6** If the goods are dispatched to the Purchaser at the Purchaser's request (sale by dispatch), the risk will pass to the Purchaser when the goods are handed over to the person authorised to dispatch the goods (CIP Incoterms® 2020). If dispatch is delayed due to circumstances within the sphere of the Purchaser, the risk will pass to the Purchaser from the day of readiness for dispatch.
- 2.7** The return of goods delivered in accordance with the contract is generally excluded. In exceptional cases, which are at our discretion, we may take back these goods in a defect-free condition and with free delivery by the Purchaser at the net price and charge a lump sum of 10% of the net price of the goods for the restocking costs incurred as a result of the return. The originally invoiced net price less restocking costs will be credited after a positive outcome of our quality inspection.
- 2.8** Significant deterioration in the financial circumstances of the Purchaser, the performance or the application for the submission of an affidavit, payment difficulties or a change of company owners occurring in connection with payment difficulties will release us from the fulfilment of any current delivery orders and will entitle us to suspend delivery immediately, unless the Purchaser makes simultaneous payment. The same will also apply in the event of the filing of insolvency proceedings, unless it involves an agreement on the continuous delivery of goods.

3. PRICES AND PAYMENT

- 3.1** Our prices for deliveries are ex works or ex warehouse, plus transport insurance, shipping and packaging, in the case of export deliveries plus customs duties, fees and other public charges. The choice of packaging material and packaging is the responsibility of PTG.
- 3.2** All prices are quoted in EURO plus VAT at the applicable statutory rate.
- 3.3** Services or deliveries and their invoicing will be performed at the total prices (e.g. list price and VAT) and conditions valid on the day of performance or dispatch.
- 3.4** We reserve the right to adjust the price of the goods. If the performance or delivery period is less than four months from the order and a price increase occurs during this period, the Purchaser will be entitled to cancel his order. The cancellation must be communicated to us in writing immediately after notification of the price increase and before delivery.
- 3.5** Payments will be made within 30 days of the invoice date without any deductions by bank transfer; the date of receipt of payment will be decisive. A discount to be agreed individually in advance will not be granted if the Purchaser is in arrears with other payments.
- 3.6** Objections by the Purchaser to the invoice or the invoice amount (e.g. due to non-delivery or incomplete delivery) must be notified in writing to PTG Reifendruckregelsysteme GmbH, Habichtweg 9, 41468 Neuss, Germany, within 30 days of the invoice date (receipt of the complaint). After unconditional payment or expiry of the deadline without written notification, any objections to the invoice by the Purchaser are excluded.
- 3.7** If the Purchaser is in arrears with a due payment or if we have reasonable doubts about the Purchaser's ability to pay, we will be entitled to terminate the contract or suspend further deliveries to the Purchaser without waiving any further rights and claims to which we may be entitled. In addition, all outstanding receivables will become due for immediate payment, irrespective of payment terms. We are also entitled to demand advance payments or the provision of collateral for transactions in progress.
- 3.8** The Purchaser will only be entitled to withhold payments or offset them against counterclaims to the extent that his counterclaims from the same contractual relationship from which our claim for payment arises can be offset or are undisputed or have been recognised by a court ruling.



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- 3.9** PTG is authorised to provide buyers with the option of electronic data interchange (EDI) as part of our e-business portfolio and to convert payment processing from paper form to electronic data interchange.

This relates to the creation and transmission of electronic invoices in accordance with § 14 of the Value Added Tax Act (VAT Act) as well as electronic credit notes (hereinafter "e-invoices"). The e-invoices will then replace the original invoices/credit notes previously issued in paper form and the corresponding legal requirements for e-invoices, in particular the EU Invoicing Directive 2021/45/EU and the VAT Act. If the original invoices and/or credit notes are still issued and transmitted in paper form, the Purchaser will be informed of the details (e.g. processing modalities, implementation periods, third parties involved, storage location) in text form prior to the changeover. The Purchaser agrees to the transmission of the e-invoices by PTG or third parties commissioned by PTG and their conditions and creates the technical preconditions for being able to retrieve the e-invoices as agreed.

4. RETENTION OF TITLE AND SECURITY INTERESTS

- 4.1** The goods delivered by us will remain our ownership until full payment of all claims arising from the business relationship, including conditional and future claims.
- 4.2** The Purchaser is required to insure the reserved goods adequately, in particular against fire and theft. Claims against the insurance company arising from damage to the reserved goods are hereby assigned to us in the amount of the replacement value. The Purchaser must inform the insurance company of the assignment of claims.
- 4.3** The Purchaser will be entitled to process and sell the reserved goods in the ordinary course of business until the disposal event occurs. Pledges and transfers by way of security are not permitted. In the event of the resale of the reserved goods, the Purchaser hereby assigns to us by way of security the resulting claims against the Purchaser with all ancillary rights - in the case of reserved goods in proportion to the joint ownership share - until all his liabilities have been settled. The same applies to other claims which take the place of the reserved goods or otherwise arise with regard to the reserved goods, such as insurance claims or claims arising from unauthorised action in the event of loss or destruction.
- 4.4** The Purchaser will refrain from all actions that could impair the agreed advance assignment, in particular the agreement of the non-assignability of the claims arising from the resale and the inclusion of the claims in a current account relationship existing with its clients. If a current account relationship nevertheless arises, the current account claim will be deemed assigned to us in the amount corresponding to the claims from the resale of products supplied by us that are included in the current account relationship. The same will apply, after balancing, to the amount of the current account receivable balance.
- 4.5** In the event that the reserved goods are invoiced by the Purchaser together with other goods not belonging to us or together with services, the assignment of the purchase price claim under 4.3 will be deemed agreed in the amount invoiced by the Purchaser to its client for the reserved goods, including VAT; if the individual price of our reserved goods is not indicated separately in this invoice, the assignment will apply in the amount of the price invoiced by us to the Purchaser at the time of delivery to its client.

If the Purchaser provides a related service in connection with the sale of the reserved goods, e.g. assembly or similar, and if the reserved goods and the service are not indicated separately on the invoice, i.e. the invoice value is only shown as the total price, the entire claim will be deemed assigned to us. If the reserved goods are processed by the Purchaser, it is agreed that the processing is performed in our name and for our account as manufacturer and that we directly acquire ownership or - if the processing is performed from materials of several owners or the value of the processed item is higher than the value of the reserved goods - fractional ownership



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of the newly created item in the ratio of the value of the reserved goods to the value of the newly created item.

4.6 In the event that no such acquisition of ownership should occur for us, the Purchaser hereby transfers his future ownership or - in the above ratio - joint ownership of the newly created item to us as security. If the goods subject to retention of title are combined or inseparably mixed with other items to form a uniform item and if one of the other items is to be regarded as the main item, we will, insofar as the main item belongs to us, transfer to the Purchaser the joint ownership of the uniform item in the proportion stated in sentence 1.

4.7 We revocably authorise the Purchaser to collect the claims assigned to us in his own name. We may only revoke this direct debit authorisation in the event of disposal.

4.8 If a Purchaser wishes to sell or assign accounts receivable resulting in whole or in part from the sale of our goods to a third party by way of factoring or any other form of purchase of receivables (hereinafter "factoring"), the Purchaser will be required to notify us in advance and obtain our consent. The Purchaser hereby assigns to us the amount of our respective balance of receivables to which he will be entitled from the factoring transaction against the factor.

If there is concern that our claims or security interests are impaired or jeopardised, we may inform the factor at any time of the security interests arising from this para and demand performance to us. If the receivables are sold or assigned without our consent, the Purchaser must compensate us for the resulting damage.

Should there be any uncertainty about our entitlement in such a case, the Purchaser undertakes to instruct the factor to pay amounts to be paid out in the amount of our balance into an escrow account named by us or to deposit them there until clarification.

The above provisions apply both to so-called authentic factoring - where the factor bears the credit risk - and to non-authentic factoring, where the default risk remains with the seller of the receivables.

4.9 If the value of the collateral available to us (the invoice value of the goods subject to retention of title will be decisive with regard to rights of retention of title) exceeds our claims by more than 20% in total, we will be required to release collateral of our choice at the Purchaser's request. The Purchaser must notify us immediately of any seizure or any other impairment of our retention of title or security rights by third parties and confirm these rights to both third parties and us in writing. The Purchaser is prohibited from pledging or transferring these rights by way of security. If the third party is not in a position to reimburse us for the court or out-of-court costs incurred in this connection, the Purchaser will be liable to us.

4.10 In the event of default of payment or if other reasons justify the concern that our reserved rights are jeopardised, we may assert the above security rights, in particular demand the return of the reserved goods after withdrawal from the contract. In this case, the Purchaser will be required to provide the information required to assert these rights and to hand over to us the necessary documents, in particular delivery notes, invoices, stock lists, etc.

5. WARRANTY AND LIABILITY

5.1 Warranty rights of the Purchaser presuppose that the Purchaser has duly fulfilled his duties to inspect and give notice of defects in accordance with § 377 of the Commercial Code. The Purchaser must inspect the delivered goods upon delivery for any defects (in particular for deviations from the ordered quantity or the ordered type or soiling). Differences in the scope of delivery must be noted in writing on the delivery or freight documents in order to safeguard the rights of the Purchaser. Defects in the packaging are irrelevant as long as they do not impair the suitability of the goods. The notification of defects must be made immediately. Subsequent notifications of defects that could have been discovered upon careful inspection after receipt of the goods are irrelevant and do not justify any claims by the Purchaser. Defects that could not be discovered despite careful inspection must be reported to us in writing immediately after discovery. Here too,



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failure to notify us of the defect without delay will render the notification of defects irrelevant and result in the loss of all claims.

- 5.2** Damage caused by external influences, improper installation and handling, faulty operation or maintenance, corrosion or normal wear and tear is excluded from the warranty. In the latter case, the warranty does not cover wear and tear of wearing parts in particular. Wear parts are all rotating parts, all drive parts and tools.
- 5.3** Any quality defects in a partial delivery will not entitle the Purchaser to reject the remainder of the completed quantity. This will not apply if the Purchaser can prove that acceptance of only part of the delivery is unreasonable for him in view of the circumstances.
- 5.4** If the Purchaser discovers a defect, he may not modify, process or hand over the delivery item to third parties, but must first grant us a sufficient period of time to convince ourselves of the defect and, if necessary, to carry out the necessary repair (rectification or replacement delivery); otherwise all claims for defects on the part of the Purchaser will lapse. Only in urgent cases where operational safety is jeopardised or to prevent disproportionately large damage, in which case we must be notified immediately, will the Purchaser have the right to remedy the defect himself or have it remedied by a third party and to demand reimbursement of the necessary expenses from us. Irrespective of the existence of a defect, the warranty claims will also lapse if the Purchaser or a third party carries out modification or repair work without our consent.
- 5.5** Transport damage must be reported to us immediately. The Purchaser will arrange the necessary formalities with the carrier, in particular to make all necessary decisions to safeguard rights of recourse against third parties.
- 5.6** In the event of a justified complaint, we will, at our discretion, either rectify the defective goods or deliver defect-free replacement goods after receipt of the rejected goods and inspection. In the event of delivery of defect-free replacement goods, the defective item will become our ownership upon fulfilment of the warranty. Multiple reworking is permissible, provided it is reasonable for the Purchaser. The total amount of claims for damages and reduction is limited to 5% of the net purchase price, provided there is no intent.
- 5.7** If we allow a reasonable period of grace granted to us for repair within the meaning of § 439 BGB to elapse without remedying the defect or supplying a replacement, or if subsequent improvement or replacement delivery is impossible, fails or is refused for other reasons, the Purchaser, who is not a consumer, will only be entitled to withdraw from the contract or reduce the purchase price, to the exclusion of all other claims relating to the delivery item. A claim for damages by the Purchaser is excluded, irrespective of the reason for liability (e.g. non-fulfilment, impossibility, delay, positive breach of contract and breach of duties during contract negotiations, unauthorised action, settlement between debtors, etc.), unless otherwise stipulated in these terms and conditions.
- 5.8** The provisions will not apply in the case of warranted characteristics or culpable breach of material contractual duties. Such claims of the Purchaser as well as claims for damages that have not occurred to the delivery item itself are excluded within the meaning of the following points to the extent permitted by law. If the goods are repaired or redelivered under warranty, this will not trigger a new start of the warranty period. Properties are only warranted if we expressly designate them as such in the contract. Verbal statements and statements in our documents do not contain any assurances.
- 5.9** The Purchaser must comply with our recommendations regarding storage, assembly, use/restrictions on use, inspection, repairs, etc. and maintenance. The Purchaser will inform its clients of our recommendations. He must pass on these information duties to his clients who are not end users. When passing on the product to its end client, the Purchaser is required to observe the technical guidelines and operating instructions, to inform its clients accordingly and to oblige them to guarantee this information chain up to the end client.



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5.10 The exclusion of liability does not apply to

- liability under the Product Liability Act and damages resulting from injury to life, body or health, which are based on an intentional or negligent breach of duty on our part or on the part of one of our legal representatives or vicarious agents;
- liability for other damage caused by wilful or grossly negligent breach of duty on our part or on the part of our legal representatives or vicarious agents, with the proviso that liability - except in cases of wilful misconduct - is limited to the amount of foreseeable and typically occurring damage;
- liability for other damages resulting from a slightly or moderately negligent breach of a material contractual duty on our part or on the part of one of our legal representatives or vicarious agents, with the proviso that liability is limited to the amount of foreseeable and typically occurring damages; material contractual duties are those whose fulfilment is essential for the proper execution of the contract and on whose compliance the contractual partner may standardly rely;
- in the case of defects which we have fraudulently concealed or the absence of which we have warranted,
- In no event will we be liable for compensation for indirect damages, in particular not for lost profits or losses of the Purchaser.

5.11 Claims for defects will be subject to limitation twelve (12) months after delivery of the goods supplied by us to the Purchaser. The statutory limitation period will apply to claims for damages in cases of intent and gross negligence as well as in cases of injury to life, body and health which are based on deliberate or negligent breach of duty by the user.

6. DATA PROTECTION

6.1 We collect and process personal data in accordance with the principles and on the basis of the GDPR and the BDSG. Personal data that comes to our knowledge in connection with the business relationship is therefore used exclusively within the scope of the defined purposes and for the processing of the contractual relationship by PTG.

6.2 Data subjects have a right of access, rectification, objection, restriction of processing and erasure of data concerning them and may request the transfer of their data. If data subjects wish to exercise these rights and receive information about the data concerning them, they can contact the following controller: PTG Reifendruckregelsysteme GmbH, Habichtweg 9, 41468 Neuss, Germany, email: datenschutz@ptg.info.

The right to lodge a complaint can be exercised with the State Commissioner for Data Protection and Information Security (LfDI) of North Rhine-Westphalia or with the supervisory authority of the federal state in which the data subject resides.

6.3 We transfer personal data to our service providers and/or to companies affiliated with us under stock corporation law (group companies) for the purpose of contract fulfilment. The transfer to third countries takes place exclusively on the basis of an adequacy decision by the EU Commission; the use of standard clauses in the respective service provider contracts; subject to suitable guarantees (Article 46 GDPR) or binding internal data protection regulations (Article 47 GDPR); an exception under Article 49 (1) (2) GDPR (if the requirements of Articles 46 and 47 GDPR are not met); an individual authorisation by a supervisory authority. The Purchaser may request information about this and may contact the company's data protection officer for this purpose.

6.4 Personal data relating to PTG or third parties that come to the knowledge of the Purchaser in connection with the order may only be processed and used to fulfil the contractual relationship and only on the basis of Article 6(1) GDPR (or Article 9 GDPR). The data may not be passed on to third parties outside the cases mentioned in 6.3.



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The Purchaser undertakes to take all technical and organisational measures necessary for data protection and data security. The Purchaser's employees will be required to maintain data confidentiality.

- 6.5** The data protection information of the data controller (PTG) also applies: <https://ptg.info/datenschutz/>.

7. TRADE SANCTIONS

- 7.1** PTG, as part of the Michelin Group, represents the Michelin Group's position on trade sanctions. The Purchaser acknowledges that Michelin Group has defined Group Positions, which consist of list of countries to which Michelin refuses and prohibits any direct or indirect sales (including transit across these countries) which as of the date of the Agreement comprises Cuba, Iran, North Korea, Syria. These Group Positions, which may contain more restrictive provisions than the Trade Restrictions as defined below, are based on commercial considerations and other compliance concerns, including but not limited to: money laundering and corruption concerns and concerns related to the financing of terrorism. These Group Positions apply to the Products sold as spare parts or incorporated in a higher-level assembly (such as fitted unit, a ground vehicle, a plane, etc...). The Purchaser shall respect such Positions. Michelin reserves the right to regularly change such list of countries during the term of this Agreement. Purchaser shall only be required to comply with such change only where and to the extent such change has been notified in writing to the Purchaser.
- 7.2.** The Purchaser shall comply with all applicable laws and regulations with regard to the supply, sale, transfer, export, re-transfer, or re-export of the Products, including but not limited to those relating to: trade sanctions (including but not limited to comprehensive or sectoral embargoes and restricted parties) and export controls (including but not limited to military or dual usage products), altogether defined hereafter as "Trade Restrictions". For the avoidance of doubt, all applicable laws and regulations could include those originating out of the United Nations, the European Union, the OSCE, or the United States of America.
- 7.3** The Purchaser shall not cause PTG to, either directly or indirectly, risk any potential violation of any applicable Trade Restrictions. Furthermore, the Purchaser will not supply, sell, transfer, export, re-transfer, re-export, or otherwise make available or use any Product supplied by Michelin in order to circumvent, evade or avoid any applicable Trade Restrictions.
- 7.4** The Purchaser is obliged to supply, sell, export, retransfer, re-export or otherwise make available or use the Products only in the manner permitted by law (applicable trade sanctions). The Purchaser is prohibited from directly or indirectly supplying, selling, transferring, exporting, re-transferring, re-exporting or otherwise making the Products available to the following persons/groups:
- a) Natural persons, companies or entities domiciled, registered or headquartered in a jurisdiction falling within the scope of the applicable trade sanctions;
 - b) "Restricted Persons", this means a natural and/or legal person, company, or corporation which
 - i. is indicated in the trade sanctions;
 - ii. is owned or controlled by a restricted person indicated in the trade sanctions; or
 - iii. acting for or on behalf of a "restricted person" indicated in the trade sanctions; and
 - c) for purposes or activities that are prohibited or otherwise restricted under the trade sanctions.
- 7.5** Provided we have reason to believe that any Product may be or is being supplied, sold, transferred, exported, retransferred, re-exported or otherwise made available to any jurisdiction



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or Restricted Person falling within the scope of the applicable Trade Sanctions for use, purposes or activities prohibited or restricted under the Trade Sanctions, we reserve the right to: immediately suspend the services to be rendered under this contract;

request further information or documented evidence, including but not limited to:

- a) licences, authorisations, permits or approvals obtained by the Purchaser in connection with the sale, transfer or export of the products;
- b) end user certificates or commitments given or granted to the Purchaser;
- c) shipping or commercial documents, including invoices or bills of lading, for the verification of the end use(s) or end user(s) of the products.

take other appropriate measures relating to the business relationship with the Purchaser.

7.6 The Purchaser confirms that neither the Purchaser, the Purchaser's group companies nor the relevant directors or officers are Restricted Persons. The Purchaser will notify PTG immediately if the Purchaser, the Purchaser's group companies or the relevant directors or officers become Restricted Persons. In addition, the Purchaser will promptly notify PTG if the Purchaser becomes aware or reasonably suspects that the Purchaser or the Purchaser's group companies or the relevant managers or executives may become Restricted Persons.

7.7 If the Products supplied by PTG are resupplied, resold, redistributed, retransferred, redelivered or otherwise made available to a third party, the Purchaser will take all measures reasonably necessary to ensure that such third parties: (a) comply with the applicable trade sanctions and Michelin Group Positions; and (b) do not directly or indirectly breach the trade sanctions or Michelin Group Positions.

7.8 The Purchaser will indemnify and hold harmless PTG from and against any losses, costs, claims, causes of action, damages, liabilities and expenses, including attorneys' fees and litigation and settlement costs and court costs, arising out of the Purchaser's failure to comply with any trade sanctions or Michelin Group positions. The Purchaser will be liable for all acts or omissions of the Purchaser, its managers, employees, affiliates, agents, suppliers or subcontractors of any tier in the performance of their duties under this clause.

7.9 Sanctions & Export Control regarding Russia, Belarus, and Sanctioned Regions of Ukraine (Crimea region and the oblasts of Donetsk, Kherson, Luhansk and Zaporizhzhia or any other regions of Ukraine which may become sanctioned in the future)

The Purchaser shall not sell, export or re-export, transit, directly or indirectly, to, within or through, or for use in Russia or Belarus or Sanctioned Regions of Ukraine, any goods or technologies supplied under or in connection with this Agreement that fall within the scope of applicable sanctions regimes imposed by relevant jurisdictions (notably United States of America, European Union, Canada, United Kingdom) applicable to the above listed territories. The Purchaser shall not take any action that may expose Michelin Group entities or employees to potential liability under the same sanctions measures. For the avoidance of any doubt, the Purchaser receiving U.S.-sourced/ U.S. jurisdiction products is prohibited from directly and indirectly exporting them to, reexporting them to, transferring them within or through, or for use in the above listed countries and territories.

- a) The Purchaser shall undertake its best efforts to ensure that the purpose of paragraph 7.9 a) is complied with by any third parties further down the commercial chain, including by possible resellers.
- b) The Purchaser shall set up and maintain an adequate monitoring mechanism to detect any conduct by any third parties further down the commercial chain, including by possible resellers, that would contravene the objective of paragraph 7.9 a). The Purchaser is also aware of the potential punitive legal risks related to circumventing the sanctions imposed against these countries or regions by using third countries which do not impose sanctions against these countries or regions. In consequence, the Purchaser shall undertake to carry



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out appropriate due diligence, including detection of red flags, on the use of or trade of any Michelin Group products or services, to avoid involving any products, services, companies or employees of the Michelin Group in a transaction or activity which may expose them to potential liability under applicable sanctions regimes.

- c) Any violation of paragraphs 7.9 a), b) or c) shall constitute a material breach of an essential element of the agreement, and Michelin shall be entitled to seek appropriate remedies, and take appropriate actions, including, but not limited to:
- immediate suspension of the agreement; and/or
 - immediate termination of this agreement; and
 - a penalty of up to 100% of (i) the total value of the agreement or (ii) the price of the goods and services sold or exported, whichever is higher.

The Purchaser shall immediately inform PTG of any information or knowledge that indicates non-compliance with paragraphs 7.9 a), b) or c), including notably any relevant activities by third parties that may contravene the purpose of paragraph 7.9 a). The Purchaser shall make available to PTG any information concerning compliance with the obligations under paragraph 7.9 a), b) and c) as soon as reasonably practicable of the written request of such information.

8. ETHICS AND COMPLIANCE

8.1 Within the scope of the business relationship, the Purchaser undertakes to counteract any form of bribery and corruption and to comply with the relevant statutory provisions.

8.2 The Purchaser undertakes and confirms in particular to refrain from the following:

- a) holding out, offering, promising or granting gifts, other benefits or other inappropriate financial or other advantages directly or indirectly to our employees who are entrusted with the preparation, conclusion or fulfilment of the contract or supply relationship, or to persons close to them,
- b) committing or aiding and abetting criminal offences that fall under § 298 StGB (agreements restricting competition in tenders), § 299 StGB (bribery and corruption in business dealings), § 333 StGB (granting of advantages), § 334 StGB (bribery), § 17 UWG (betrayal of business and trade secrets) or § 18 UWG (exploitation of templates).

The above duties also apply to all subsidiaries, employees, directors, workers or officers of the Purchaser as well as to all third parties involved in the contractual relationship.

8.3 In the event of a breach of the duties specified in paragraph 8.2, we will be entitled, without prejudice to other rights of cancellation and rescission, to terminate the contract extraordinarily and to break off all negotiations.

8.4 The Purchaser will compensate us for all damages arising from a breach of the duties specified in paragraph 8.2 for which the Purchaser is responsible.

9. PLACE OF PERFORMANCE, JURISDICTION AND OTHER MATTERS

9.1 All legal relationships between us and the Purchaser will be governed exclusively by the law of the Federal Republic of Germany applicable to legal relationships between domestic parties. The provisions of the Vienna UN Convention of 11 April 1980 on Contracts for the International Sale of Goods will not apply.

9.2 The place of performance and jurisdiction for all disputes is Neuss.

9.3 In the event that one or more provisions of these General Terms and Conditions of Sale and Delivery are or become invalid, this will not affect the validity of the remaining provisions.

9.4 The Purchaser undertakes to treat all commercial, operational and technical information which is not in the public domain and which becomes known to him through the business relationship as business secrets. In the event of a confidentiality duty available to us, this will not extend to companies affiliated with us within the meaning of §15 of the Companies Act.



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- 9.5** It is prohibited to change or make unrecognisable the marks and numbers on our products in whole or in part and to resell articles which have suffered any deterioration since delivery or to which changes have been made which do not comply with our technical standards. The Purchaser undertakes to sell the goods as they have been classified by us. He will explain the exact nature and technical details of these goods to his clients. We reserve the right to make technical changes.
- 9.6** In the event of ambiguities or contradictions between the different language versions of PTG's General Terms and Conditions of Sale and Delivery (German, English or French), the original German text will apply.

PTG Reifendruckregelsysteme GmbH
Habichtweg 9 · 41468 Neuss/Germany

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Company's Registered Office:, HRB 6273 Amtsgericht Neuss, Managing Directors: Laurent Lemonnier, Christian Metzger, Peter Tigges