

General terms and conditions of purchase

Applicable to business transactions with enterprises, legal entities of public law and separate assets.

1. General

- 1.1 These purchasing terms and conditions form the basis of all orders and are in effect exclusive. Opposing or additional terms and conditions of the contractor (CT) are contradicted. This is even then the case when we, knowing of terms and conditions opposing or deviating from our purchasing terms and conditions of the CT, accept or remit payment for deliveries of products and services of the CT (hereinafter referred to as object of agreement). Deviated conditions are only then in effect, if these were accepted by us in writing and explicitly.
- 1.2 These purchasing terms and conditions are also in effect for all future deliveries and services of CT to us until replaced in effect by our new purchasing terms and conditions.
- 1.3 In the case that the CT contradicts our purchasing terms and conditions and no agreement is reached, then, the effectiveness of this contract is not compromised. Then, overall, legal stipulations are in effect, in as far as no separate agreements were made. A partial effectiveness of the terms and conditions, for example, to the extent that they coincide with the terms and conditions of the CT, will not be considered.
- 1.4 According to the stipulations of the German Federal Data Protection Law, we draw the attention of the CT to the fact that, in conducting business transactions, we will use electronic data-processing to process required personal and company data. (Please note our privacy policy)

2. Contract termination and contract modifications

- 2.1 Orders, agreements and delivery release orders as well as modifications and additions are required to be in written form. Orders and delivery release orders can also be submitted via data transfer or telefax.
- 2.2 Oral agreements prior to or at agreement closure require a written purchasing confirmation to be in effect. Item 2.1, sentence 2 remains unaffected.
- 2.3 Oral agreements after agreement closure, especially retrospective modifications and additions of our purchasing terms and conditions – including the written form clause – as well as supplementary agreements of any kind, also require a purchasing confirmation in written form in order to be in effect.
- 2.4 Estimates are binding and cannot be charged unless, explicitly, another agreement was reached.
- 2.5 If the CT does not accept the order within two weeks of order entry, then we are entitled to a cancellation. Release orders are binding, if the CT does not object within 5 working days of order entry.
- 2.6 All requests for quotation and offers, including the shipping of samples, are non-binding and may be charged to us.

3. Deadlines and contract penalty

- 3.1 Deviations from our agreements and orders are only accepted, if we have provided written consent in advance.
- 3.2 Agreed due dates and time limits are binding. As authoritative for the adherence to the delivery deadline or the delivery time limit is our receipt of the good(s). If delivery “ex works” (DDU or DDP according to Incoterms 2010) is not agreed to, the CT is to make the good(s) available on time in consideration of the time to be coordinated with the forwarding agent for the loading and shipping.
- 3.3 If the CT has accepted the responsibility for the assembly or installation, and nothing else was agreed, then the CT, unless deviating rules exist, carries all required additional costs such as travel costs, tool allocation as well as releases.
- 3.4 If agreed deadlines are not adhered to, then the CT will pay for every starting week of the extension a contract penalty of 0.5% (maximum of 10%) of the total price of the total delivery. The agreement of the contract penalty or its enforcement does not affect our entitlement to the legal claims due to delay. Paid contract penalties are to be counted towards indemnity claims. The contract penalty can be enforced until payment of the delivered good(s) that were subject to delay. A contract penalty is not incurred, if the delay is based on reasons that are the responsibility of the ordering party. To sustain the claim, it is not necessary that the ordering party reserve the right thereto at the time of the receipt of the delivery from the CT. Further legal claims remain unaffected. If the CT expects difficulties in regard to the production, supply of primary materials, the adherence to the delivery schedule or similar circumstances that could prevent him from delivering on time or at agreed quality, then the CT is to notify our ordering department immediately.

- 3.5 The acceptance, without reservation, of a delayed delivery of goods or services does not imply a waiver of the indemnification claims to which we are entitled as a result of the delayed delivery of goods or services. This is in effect until the complete payment of the costs owned by us for the affected delivery of goods or services.
- 3.6 Partial deliveries are generally not acceptable, unless we explicitly agreed to it in advance in writing or we consider it reasonable.
- 3.7 In regard to quantities, weight and measurements, unless there is proof otherwise, authoritative are the values determined by us at incoming goods inspection.
- 3.8 For software that belongs to the product scope, including the documentation, we have not only the right to usage within the legally permitted scope (Paragraph 69a ff. of the German Copyright Law), but also the right to usage with the agreed performance features and within the scope required for the usage of the product according to the contract. We are permitted to create a backup copy, even without an explicit agreement.

4. Force majeure
Force majeure, such as for example, labor strikes, unindebted operational faults, unrest, official measures and other unavoidable events give us the right – without compromising our other rights – to withdraw completely or partially from the contract, in as far as they are not of extended duration and do not result in a substantial decrease in our demand.

5. Shipping advice and invoice
In effect is the data in our orders and release orders. The invoice is to be sent in duplicate with invoice number and other reference features to the address printed; it is not to be attached to the shipments.

6. Price setting and transfer of perils
If no special agreement has been reached, the prices are assumed to be ex-works, duty paid (DDP according to Incoterms 2000), including packaging. Value-added tax is not contained therein. The CT takes the responsibility for the goods until receipt of the goods by us, or our representative at the location to which the goods are to be delivered, according to contract.

7. Payment terms
 - 7.1 The agreed prices are fixed prices. They apply, principally, as sent to our address, free of freight and packaging costs or other fees.
 - 7.2 In as far as no special agreement has been reached, the invoice is paid either within 20 days with a discount of 3% or within 60 days without discount from the issuing of the payment request and the receipt of both the invoice and the goods or performance of the services. The payment is remitted subject to invoice verification.
 - 7.3 Assignment or other transfers of rights and duties of the CT to location that is considered external to the jurisdiction of Paragraph 354 a of the German Commercial Code is not permitted; exceptions require our written consent in advance to be in effect.

8. Defect claims and recourse
 - 8.1 The receipt occurs subject to inspection for freedom from defects, especially also with regard to correctness, completeness and serviceability. We have the right to inspect the object of the agreement, to the extent and as soon as this is doable within the normal course of business; we will claim any defects found immediately upon discovery. To this extent, the CT waives any objection against delayed defect claims.
 - 8.2 The legal stipulations in regard to property and title defects go into effect, unless something other has been decided upon.
 - 8.3 The right to select the type of follow-up fulfillment is principally ours. The CT has the right to refuse the type of follow-up fulfillment selected by us based on the conditions of Paragraph 439, Section 3 of the German Civil Code.

- 8.4 If the CT does not start with the elimination of the defects immediately following our request, we have the right in urgent cases, especially to avoid acute dangers or larger damages, to conduct this defects elimination ourselves or have it performed by a third party, at the cost to the CT. Property defect claims become time-barred in two years, unless the item was used in its conventional use for a construction and has caused its defectiveness. The timebarring period for property defect claims begins with the delivery of the object of the agreement (transfer of perils).
- 8.5 In the case of title defects, the CT additionally frees us from any possibly existing claims of third parties. In regard to title defects, there is a time-barring period of 10 years.
- 8.6 For parts of the shipment that were fixed or repaired within the time-barring period of our defect claims, the timebarring period begins anew at that point in time in which the CT has completely satisfied our claims for fulfillment.
- 8.7 If costs incur against us as a result of the defective delivery of the object of the agreement, especially transport, channel, labor or material costs or costs for an incoming goods inspection that exceeds the usual scope, then the CT will carry these costs.
- 8.8 If we recall a product manufactured and/or sold by us due to the defectiveness of the object of the agreement delivered by the CT or if, due to this, the purchase price paid us was reduced or, due to this, any other claims were made against us, we reserve the right to recourse with regard to the CT, whereas our defect right is not bound to the usually required deadlines.
- 8.9 We have the right to place a request with the CT for expenditures which we incurred in the relationship with our customer because the customer has filed a compensation claim against us for fulfillment of expenditures, especially for transport, channel, labor or material costs.
- 8.10 Irrespective of the stipulations in Item 8.5, the time-barring period starts, in the case of Items 8.8 and 8.9, at the earliest 2 months after the point in time at which we have satisfied the claims filed against us by our customer, at the latest, however, 5 years after the delivery by the CT.
- 8.11 If, within 6 months after the transfer of perils, a property defect is discovered, in which case it is suspected that it existed at the time of transfer of perils, unless this suspicion cannot be reconciled with the type of property or of the defect.
9. **Product liability and recall**
In the case that a claim is filed against us by a third party due to product liability, the CT is obligated to free us from these types of claims, if and to the extent that the damage was caused by a mistake of the object of the agreement delivered by the CT. In the cases of liability resulting from fault, this applies, however, only if the fault lies with the CT. If the cause for the damage lies within the area of responsibility of the CT, he carries the burden of proof. The CT carries, in these cases, all costs and expenditures, including costs of a possible legal pursuance or recall action. Otherwise, the legal stipulations are in effect. The CT is obligated to carry and maintain a sufficient amount of product liability insurance coverage. On request, he must be able to prove that possible liability claims of third parties due to mistakes in the delivery items would be covered by such insurance.
10. **Performance of jobs**
Persons who, in the fulfillment of the contract, are performing jobs in the plant are to follow the corresponding standard operating procedures. Any liability for accidents that happen to these persons at the plant is excluded, if these are not caused by premeditated or gross negligence of duty on the part of our legal representatives or fulfillment assistants.
11. **Provision of material**
Materials, parts, containers and special packaging made available by us remain our property. These must only be used according to stipulations. We perform the processing of materials and the assembly of parts. There is an agreement that we, in a ratio of the value of the provisions of material to the value of the total product, are co-owners of the products manufactured using our materials and parts, which are kept for us by the CT to that extent. The CT is liable for the loss or damage of any items belonging to us. He is obligated to sufficiently insure, to the extent mentioned in the above stipulation, keep in order and return to us on termination of contract those items belonging to us.

We are to be immediately notified of any damage to the items belonging to us. This also applies to enforcement measures, regardless of type.

12. Documentation and confidentiality

12.1 All business or technical information made available by us (including characteristics that are possibly taken from items, documents or software handed over, or other knowledge or experiences), in as far as they are not proven to belong to public domain, are to be kept confidential in regard to third parties and must only be made available on the CT's company premises and only to such persons who are involved and will use it for the purpose of delivery to us and who are also obligated to maintain confidentiality.

This information remains solely our property. Without our prior written consent, such information must not be copied or used for business purposes other than for deliveries to us. On our request, all information stemming from us (including copyrights and the right to apply for trade mark rights such as patents, utility models, semiconductor protection rights etc.) is to be returned to us or destroyed. The CT does not have the right to retention, for whatever legal reason. The complete return or destruction is to be guaranteed in writing. To the extent that it was made available to us by third parties, this legal obligation also applies in favor of these third parties.

12.2 Products that were manufactured based on documentation designed by us, such as drawings, models and the like, or based on our confidential information or with our tools or reproduced tools, must not be used by the CT himself, nor offered, made available to or delivered to third parties. This applies, accordingly, also to our print orders.

13. Fulfillment location

Fulfillment is considered the location to which the good(s) are to be delivered, according to the contract.

14. General terms and conditions

14.1 Should any stipulation of these terms and conditions and any further agreements reached be or become not in effect, the applicability of the remaining terms and conditions is not affected. The parties to the agreement are obligated to replace the inapplicable stipulation with one leading to approximately the same commercial success.

14.2 The court of jurisdiction for all legal disputes that result directly or indirectly from the contractual relationship, which is based on these purchasing terms and conditions, is the registered office of the ordering party. Furthermore, we have the right to file a lawsuit against the CT by our choice at the court of his registered office or branch office or at the court of the fulfillment location.

14.3 The contract language is German.

14.4 For the contractual relations, exclusively German law is applicable under exclusion of collision right and the agreement by the United Nations regarding contracts on the international sale of goods (CISG).