

## General Terms and Conditions of Purchase

### § 1 Scope in the case of domestic business dealings

1. Our terms and conditions of purchase apply only to enterprises (section 14 BGB). They also apply to all future transactions with the supplier.
2. Only our terms and conditions of purchase apply. Conditions of the supplier which conflict with or differ from our conditions of purchase will not be recognised; this also applies where we perform the contract without reservation in spite of knowledge of conditions of the supplier which conflict with or differ from our terms of purchase.
3. All agreements made between us and the supplier for purposes of carrying out this contract must be made in writing in this contract or in an amending contract.
4. Insofar as nothing else arises from these conditions, the terms and definitions of INCOTERMS 2000 apply.

### § 2 Conclusion of contract

1. The supplier must confirm orders without delay, at the latest one week after their receipt. A late confirmation or one which differs from our order is deemed to be a new offer and is subject to our express written acceptance. If such a written acceptance has not been received and the supplier nevertheless carries out the delivery or performs the service, we accept these only on the conditions of the order placed by us. All agreements as well as alterations and supplements must be made in writing. Verbal agreements only take effect if they have been confirmed by us in writing. This also applies to the written form clause itself.
2. Remuneration or compensation will not be made by us for visits, preparation of offers, projects, or the supply of offers etc. This also applies where no legal transaction ensues from an offer made to us.

### § 3 Prices · Conditions of payment

1. The price shown in the order is binding. This also applies to contracts with delivery periods exceeding 4 months. In the absence of any other written agreement, the price is free of charge to address of buyer, including packaging, freight and transport to the delivery address or place of use given by us. We are entitled but not obliged to return the packaging.
2. The statutory value-added tax applicable at the date of the order is included in the price given.
3. The costs of insuring the goods will only be taken over by us where the insurance has been expressly requested by us. In other cases the goods are to be insured by the supplier.
4. If the supplier reduces his prices in general, a corresponding reduction in the prices of our order is deemed to be agreed.

5. We can only process invoices when these - in accordance with the details in our order - state the order number shown therein. The supplier must therefore quote on all invoices the order number stated in our order in accordance with the requirements contained therein. The supplier is responsible for all consequences arising from non-compliance with this obligation.
6. An invoice in duplicate must be sent to us on the day of dispatch, the contents of which must agree with the delivery note and the dispatch note. Payments will be made, unless otherwise stated in the order, within 14 days of delivery subject to a 3% cash discount, within 60 days net, or net at a later time for payment allowed by the supplier. The period allowed for payment begins at the earliest on receipt of the correct invoice, however not before receipt and technical acceptance of the goods or services ordered. The date of the receipt stamp shall be deemed the date of receipt.
7. We are entitled to our statutory rights of setoff and retention.

### § 4 Delivery · Delivery note

1. All deliveries are made DDP INCOTERMS 2000 to the place of receipt or use named by us. Packaging – insofar as the agreed price does not include packaging – is to be invoiced at cost without deposit moneys.
2. All documentation necessary for acceptance, operation, maintenance and repairs, in particular test reports, factory certificates, drawings, plans, operating instructions and repair manuals must be supplied by the supplier in reproducible form without charge.
3. Every consignment must be accompanied by auditable delivery notes. Partial and final deliveries must be specially marked as such. We must be separately notified of any special instructions regarding handling the handling of the goods, in particular unloading, transport and storage on our business premises.

### § 5 Time of delivery

1. The agreed delivery dates and delivery periods are binding. The receipt of the goods at the place of receipt or use named by us or the timeliness of successful acceptance determines whether the delivery date or delivery period has been observed.
2. The occurrence of delays must be notified in writing to the purchaser immediately on becoming known before expiry of the delivery period, stating the reasons and the expected duration of the delay. New arrangements in relation to the order made necessary by the delayed delivery will be notified by us without delay and must be followed exactly by the supplier.
3. The supplier is obliged to compensate for all direct and indirect damages caused by the delay, unless he/she is not responsible for the delay.

4. In the event of delay in delivery we are entitled to claim lump-sum damages for the delay amounting to 3% of the value of the delivery per complete week, subject to a limit of 10%. More far-reaching statutory claims remain reserved. The supplier has the right to prove to us that no or materially less damage has arisen as a result of the delay.
5. If the agreed delivery period is exceeded, we are entitled to specify an appropriate extension of time under threat of rejection, and upon the unsuccessful expiry thereof – insofar as the delivery date is determined by calendar date – even without prior notification – to rescind the contract or to demand compensation for non-performance. The aforementioned rights are not precluded by the fact that earlier late deliveries have been accepted by us without reservation.

#### § 6 Passage of risk

Unless otherwise agreed in writing, the delivery is to be made free of charge to address of buyer, thus the risk of any deterioration including accidental destruction remains with the supplier until delivery is made to the place of receipt named by us. Shipment takes place at the risk of the supplier.

#### § 7 Guarantee · Notice of Defects

1. The supplier guarantees and promises that all deliveries/services rendered correspond to the current state of the art and comply with the relevant legal provisions and the regulations and guidelines of authorities, workers' compensation boards and trade associations. Should deviations from such regulations be necessary in individual cases, the supplier is required to obtain our written consent. His/her guarantee obligation is not affected by such consent.
2. Specifications and our own corporate standards laid down in the agreement are deemed to be guaranteed data, i.e. warranted qualities of the subject of the delivery or service.
3. The supplier guarantees that the items delivered and/or the services rendered do not exhibit any defects affecting their value or suitability and that they possess the promised or warranted qualities.
4. Unless otherwise agreed, the guarantee period is 24 months and begins with acceptance by us or by the third party nominated by us of the goods delivered or the services rendered at the place of receipt or use prescribed by us. The guarantee rights extend equally to spare parts supplied.
5. We shall notify the supplier in writing without delay of defects in the delivered goods/services rendered as soon as they have been ascertained in accordance with the circumstances of an orderly course of business, however at the latest within ten working days of delivery to us or the recipient. We shall notify so-called hidden defects which become evident at a later time at the latest within ten working days of discovery. The above-named time limits are suspended during our plant holidays, insofar as the period of our plant holidays was notified in the order.

6. The supplier is strictly liable [i.e. regardless of fault] for defects within the scope of the following paragraphs 7 and 8.
7. If the goods exhibit a defect at the time of passage of risk, we are entitled to claim subsequent performance or abatement. Subsequent performance takes place by correction of faults or substitute delivery, at our choice. The costs hereof are borne by the supplier.
8. If the supplier has undertaken an unsuccessful attempt at subsequent performance, unjustifiably refused subsequent performance or allowed an appropriate extension of time to expire, we are entitled to eliminate the defect ourselves and demand reimbursement of the necessary expenses.
9. We retain the statutory right to rescind, the right to compensation for damages, in particular compensation for damages instead of performance and the right of recourse pursuant to sections 478, 479 BGB [German Civil Code].
10. The supplier is strictly liable for deficiencies in title.
11. If claims are made against us for the infringement of official safety regulations or based on domestic or foreign product liability regulations due to a defective condition of our product which is attributable to a product or service of the supplier, we are entitled to demand compensation from the supplier for this damage, insofar as and to the extent that it is caused by the product supplied by him/her. The supplier is required to carry out quality assurance of a suitable nature and scope corresponding to the current state of the art and to prove this to us in the event of product liability damage.

#### § 8 Product Liability · Indemnity · Third-party insurance

1. Insofar as the supplier is responsible for damage by a product, he/she is obliged to indemnify us at first request for claims for damages by third parties to the extent that the cause lies in his/her sphere of control and organisation and he/she himself/herself is liable towards third parties.
2. To the extent that recall actions are required due to such product damage, the supplier is also liable to refund the necessary expenses thereof to the same extent. We shall inform the supplier - as far as possible and reasonable - about the content and extent of the recall actions to be carried out and give him/her the opportunity to make comment.
3. Other claims on our part remain unaffected.
4. The supplier undertakes to maintain product liability insurance with an insured sum of €2.5 million - flat-rate - per injury to person / property. If we are entitled to more far-reaching claims for compensation for damages, these remain unaffected.

#### § 9 Acceptance

Acceptance will be made within the scope of the orderly course of business without delay following receipt of the delivery and/or services, insofar as both conform to the agreement. In the case of high-volume products, we fulfil our

inspection and complaint duties by means of sample checks in the course of the examination of incoming goods.

#### **§ 10 Industrial rights**

The supplier guarantees that no domestic or foreign industrial rights or copyrights of third parties are infringed by the manufacturing, processing, use or resale of the goods/ services offered and delivered/ rendered. The supplier is obliged to indemnify us or our customers against claims in damages by third parties based on such legal relationships and to join us or our customers in any legal proceedings conducted in this regard at his/her own cost.

#### **§ 11 Documentation · Nondisclosure of proprietary information**

1. Models, samples, drawings and instruction leaflets and also tools which we make available to the supplier remain our property. They can be reclaimed by us at any time.
2. All models, samples and drawings must be treated as confidential and may only be used for carrying out our orders. The supplier expressly undertakes not to reproduce our models, samples and drawings.
3. All parts produced according to our specifications, drawings or models may only be delivered to us, under no circumstances may they be delivered to third parties for good or for inspection.
4. The supplier is also required to treat as confidential all other information relating to numbers of units, prices etc. made available to the supplier in connection with the placement and performance of the order and knowledge of all our operating processes otherwise received and keep them secret even after termination of business relations.

#### **§ 12 Assignment · Reservation of ownership**

1. The supplier is not entitled, without the prior consent of the purchaser, to assign receivables from us or to cause them to be collected from us. We shall grant consent to the assignment in accordance with the principles of good faith. In the event that the supplier has granted his/her supplier extended reservation of ownership in the ordinary course of business, our consent is deemed to have been given.
2. Insofar as we make parts available to the supplier, we reserve the right of ownership therein. Any processing or remodeling by the supplier is carried out on our behalf. If the goods

subject to reservation of ownership are processed together with other items not belonging to us, we acquire joint ownership in the new corporeal thing in the proportion of the value of our item to the other processed items at the time of processing.

3. If the item made available by us is inseparably commingled with other items not belonging to us, we acquire joint ownership in the new corporeal thing in the proportion of the value of the item subject to reservation of ownership to the other commingled items at the time of commingling. If the commingling takes place in such a manner that the supplier's corporeal thing is considered to be the principal thing, it is deemed to be agreed that the supplier transfers proportionate joint ownership to us. The supplier holds the sole ownership or joint ownership in safe custody for us.

#### **§ 13 Place of performance · Place of jurisdiction**

1. In business transactions with fully qualified merchants, legal persons under public law or special public funds, the place of performance for the delivery or service of the supplier is the destination address stated by us. Place of performance for our payment obligation is the registered office of our Company.
2. Place of jurisdiction for all disputes is the registered office of the purchaser; however, we retain the right to bring an action at the registered office of the supplier.

#### **§ 14 General**

1. The supplier's rights under this contract are not transferable.
2. The invalidity of individual provisions does not affect the validity of the remaining provisions.

#### **§ 15 Application to international business dealings**

1. German law applies exclusively to international business dealings with us, excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).
2. In cases of doubt, the INCOTERMS 2000 are definitive for the interpretation of trade terms.
3. Our above-mentioned conditions presented in sections 1 to 14 inclusive also apply to international business dealings, subject to the application of German law.