

## 1 Validity of the General Terms and Conditions of Purchase

### Validity clauses

Our Terms and Conditions of Purchase shall apply exclusively.

Any deviating general terms and conditions of the supplier are expressly rejected. They only become part of the contract if their validity is confirmed by us in writing for each individual contract. The conclusion of a contract does not fail due to general terms and conditions which contradict each other. Each provision of these terms and conditions is valid on its own. Our Terms and Conditions of Purchase apply exclusively to entrepreneurs within the meaning of Section 14 BGB (German Civil Code).

### 1.2 Conflicting provisions

Insofar as conflicting general terms and conditions contain provisions that correspond to each other, the conforming provisions apply. In addition, those parts of our Terms and Conditions of Purchase that are not opposed by conflicting provisions in the supplier's general terms and conditions are deemed to be agreed. On the other hand, provisions in the supplier's general terms and conditions that do not fully correspond with the regulatory content of our general terms and conditions do not become an integral part of the contract.

In all other cases the non-mandatory provisions of the law apply.

### 1.3 Validity for current business relationship

These Terms and Conditions of Purchase also apply in their respective version to all future contracts for the supply of goods and subsequent deliveries between the supplier and us in the course of an ongoing business relationship, without the need for renewed inclusion of or reference to the Terms and Conditions of Sale after the initial agreement.

### 1.4 Written form for subsidiary agreements

Any changes to the contract or side agreements made by unauthorised persons must be in Written Form.

## 2. Orders

### 2.1 Conclusion of contract

Every order (offer) made by us must be accepted by the supplier in writing, stating our order number, within 14 days at the latest from the date of the order if the contract is to be concluded.

### 2.2 Late acceptance

This period shall be deemed to be a time limit within the meaning of Section 148 BGB, so that an acceptance received by us late will not constitute a contract, unless we re-confirm the order in writing. We are not obliged to explicitly reject a written acceptance of the offer received by us late.

### 2.3 Acceptance that differs from the offer

Likewise, no contract is concluded without renewed written confirmation by us if the acceptance, whether in due time or not, deviates in any respect from the content of our order. A separate rejection of the offer by us, even in an ongoing business relationship, is not necessary. This clause does not affect the use of the supplier's own general terms and conditions, the legal consequences of which are governed by clause (1.2.).

## 3. Offer documents

### 3.1 Reserved rights

We reserve the property rights and copyrights to illustrations, drawings, calculations and other documents; they must not be made accessible to third parties without our written consent. They are to be used exclusively for the manufacture or delivery on the basis of our order; after completion of the order they are to be returned to us without being requested to do so.

### 3.2 Prohibition of exploitation for the supplier

Goods manufactured according to our drawings or using tools, models, devices or similar belonging to us or paid for by us, even on a proportional basis, or manufactured specifically for the supply contract with us, must not be passed on to third parties or used by the supplier for purposes other than delivery to us during the term or after termination of the supply relationship without our prior written consent.

### 3.3 Expiry of the obligation of secrecy

The obligation to maintain secrecy resulting from the above clauses only expires if and to the extent that the knowledge contained in the documents provided has become generally known.

## 4. Prices

### 4.1 Binding prices

The prices stated in the order are binding. They are valid free ex works or the respectively named shipping address, including all ancillary costs such as customs duties, packaging costs, and insurance. The return of the packaging requires a separate written agreement. If no prices were included in our order, it is non-binding until a written agreement on the price has been reached.

### 4.2 Value added tax

Value added tax is included in the prices.

### 4.3 Price increase

An increase of the prices is only possible after a separate written agreement. Even in the case of ongoing supply relationships, a unilateral increase in the prices is excluded once they have been agreed.

### 4.4 Payment modalities

Unless otherwise agreed in writing, we will pay the purchase price within 14 days of delivery and receipt of the invoice with a 2% discount, or within 30 days of the invoice date.

Payment is made by a means of payment of our choice. Partial payments are permissible. Cash on delivery is not accepted. Payments are made under reserve. They are not to be deemed as approval of the goods or acknowledgement of proper delivery.

## 5. Assumption of risk – Place of performance

Unless otherwise agreed in writing, delivery is "free domicile", so that the risk does not pass to us until the item has been handed over at our works or at the agreed shipping address.

This also applies if the object of sale has been dispatched by the supplier at our request to a third address, insofar as this is not the place of performance, or if, by way of exception, the transport costs are borne by us, insofar as only the transport is also arranged by the supplier in this case.

Reference is made to the delivery times specified in clause (8) as well as the consequence of delivery outside these times.

## 6. Partial deliveries

Partial delivery is only permitted if agreed in writing.

## 7. Fulfilment by third parties

The fulfilment of the supplier's contractual obligations by third parties, even if they are companies affiliated with the supplier, is not permitted without our approval.

## 8. Delivery time

### 8.1 Binding to delivery dates

Delivery dates and delivery periods stated in the order are binding.

Unless otherwise agreed, the ordered goods must be received by us or the specified receiving point on the delivery date stated in the order.

### 8.2 Obligation to notify in the event of delays

The supplier is obliged to inform us immediately in writing if circumstances arise, or if it becomes apparent to the supplier, that the applicable delivery dates cannot be met.

### 8.3 Delivery outside business hours

Delivery outside normal business hours requires our express written approval. Damages resulting from non-compliance with this provision as well as the risk of accidental loss or accidental deterioration in the period until the beginning of the next delivery period is borne solely by the supplier.

### 8.4 Early deliveries

Early delivery is only permissible with our prior written consent.

### 8.5 Additional costs for express deliveries

If accelerated transport becomes necessary in order to meet the delivery date, the additional costs for this is borne by the supplier.

## 9. Supplier default

### 9.1 Period of grace – Right of refusal

If the supplier is in default, we may, after setting a grace period of 5 working days, refuse further performance of the contract by the supplier and exercise our statutory rights, in particular under Sections 281 BGB.

### 9.2 Partial delay

This also applies in the event of partial default on the part of the supplier, even if we have accepted a partial delivery which was not agreed. At our discretion, we may, in any case of partial default, extend the rights described above to the remainder of the contract not yet fulfilled or to the contract as a whole.

### 9.3 Cessation of interest in the event of delay without default

If a delay in delivery occurs for which the supplier is not responsible and if our interest in the performance ceases to exist due to the delay, we are entitled to withdraw from the contract. Section 323 BGB is applicable in this case.

### 9.4 Liquidated damages for delay

In the event of a delay in delivery, we are entitled to demand lump-sum damages for the delay amounting to 1% of the value of the delivery for each full week of the delay, but not more than a total of 10% of the value of the delivery. Further legal claims remain reserved. The supplier is entitled to prove to us that no damage or substantially less damage has been incurred as a result of the delay.

## 10. Delivery

### 10.1 Packing of goods

The supplier is obliged to pack the goods properly and in such a way that they survive transport via the selected means without damage of any kind. A culpable breach of this obligation entitles us to compensation; shortened periods in relation to defects of the goods; in particular, deadlines for notification of defects are not be required in order to assert a claim for damages.

### 10.2 Transport type

In the event of pricing ex works of the supplier approved by us by way of exception, the consignments must be transported at the lowest cost in each case, unless a special mode of transport is prescribed by us. Additional costs for an accelerated transport, which was not expressly requested by us including at our own expense, is borne by the supplier.

### 10.3 Transport insurance

Since the delivery is made at the supplier's risk, it is expedient for the supplier to take out transport insurance at its own expense.

## 11. Invoicing

Invoices must be sent to us in *triplicate* immediately upon delivery. They must contain the *Order reference, numbers* and *part numbers*. They must contain the *Date of delivery* or *service*. Delays in payment resulting from a breach of this obligation do not constitute a default on our part.

**12. Notification of defects****12.1 Period of notice for obvious defects**

The statutory provisions (Sections 377, 381 of the German Commercial Code (HGB)) apply to the commercial duty to examine and give notice of defects with the following proviso: Our duty to examine is limited to defects which become apparent during our incoming goods inspection under external appraisal including the delivery papers (e.g., transport damage, wrong delivery, and short delivery) or which are recognisable during our quality control in the random sampling procedure.

**12.2 Period for notification of defects that are not obvious**

Insofar as acceptance has been agreed, there is no obligation to inspect. Moreover, it depends on the extent to which an investigation is feasible in the ordinary course of business, taking into account the circumstances of the individual case. Our obligation to give notice of defects discovered later remains unaffected. Notwithstanding our duty to examine, our complaint (notification of defect) is deemed to have been made without delay and in good time if it is sent within 14 days of discovery or, in the case of obvious defects, of delivery.

**13. Claims for defects – Supplier recourse****13.1 Supplier's obligation to remedy defects**

In addition to the statutory claims, we are entitled to demand that the supplier remedy the defective goods.

**13.2 Remediation by us**

If the supplier is not in a position to remedy the defect independently, in particular if it is not technically equipped to do so, or if an urgent remedy is necessary without which we are, in particular, threatened with further damage, we may remedy the goods ourselves or have them remedied at the supplier's expense. We will inform the supplier of the defect and the intended self-remedy, as far as possible, before carrying out the remediation of the defect.

**13.3 Frustrated expenses**

In any case of remediation, whether by us or by the supplier, the supplier shall also reimburse the costs incurred and rendered useless by the fact that the object of sale has already been processed or worked on at the time of discovery of the defect or has already been put into operation.

**13.4 Type of supplementary performance**

Our legally determined recourse claims within a supply chain (supplier recourse according to Sections 445a, 445b, 478 BGB) are available to us without restriction in addition to the claims for defects. In particular, we are entitled to demand from the supplier exactly the type of subsequent performance (repair or replacement delivery) that we owe our customer in the individual case. Our statutory right of choice (Section 439 (1) BGB) is not restricted by this.

**13.5 Statement on claim for defect**

Before we acknowledge or fulfil a claim for defects asserted by our customer (including reimbursement of expenses in accordance with Sections 445a (1), 439 (2) and (3) BGB), we will notify the supplier and request a written statement, briefly explaining the facts of the case. If a substantiated statement is not made within a reasonable period of time and if no amicable solution is found, the claim for defects actually granted by us is deemed to be owed to our customer. In this case, the supplier is responsible for providing evidence to the contrary.

**13.6 Claims from supplier recourse in case of installation or further processing**

Our claims from supplier recourse also apply if the defective goods have been further processed by us or another contractor, e.g., by incorporation into another product.

**14. Warranty periods, Existence of defects****14.1 Warranty period**

Subject to a longer statutory or contractually agreed period, the warranty period is 24 months from the transfer of risk.

**14.2 Limitation period for the assertion of claims for defects**

The limitation period for the assertion of claims for defects occurring during the warranty period does not begin to run until the defect is discovered. The duration of the warranty period remains unaffected.

**14.3 Significance of any defect**

Any defect of the delivery item triggers warranty rights, irrespective of its significance.

**15. Reservation of title****15.1 Acquisition of ownership of the product**

Any processing, mixing or combination (further processing) of provided items is undertaken by the supplier on our behalf. The same applies to the further processing of delivered goods by us, so that we are deemed to be the manufacturer and obtain ownership of the product at the latest upon said further processing, in accordance with statutory provisions.

**15.2 Transfer of ownership of the goods**

The transfer of ownership of the goods to us must take place unconditionally and regardless of the payment of the price. If, however, in individual cases, we accept an offer by the supplier to transfer of ownership conditional on the payment of the purchase price, the supplier's reservation of title expires at the latest upon payment of the purchase price for the delivered goods. In the ordinary course of business, we remain authorized to resell the goods, even before payment of the purchase price, with advance assignment of the claim arising therefrom (alternatively validity of the simple reservation of title extended to the resale). This excludes all other forms of retention of title,

in particular the extended retention of title, the forwarded retention of title and the retention of title extended to further processing.

**16. Property rights**

The supplier guarantees that the use and resale of the delivered goods in Germany does not infringe existing industrial property rights of third parties. If claims are asserted against us by third parties in the area covered by the warranty due to the infringement of industrial property rights, the supplier indemnifies us against these claims upon first written request. We are not entitled to make any agreements with the third party, in particular to conclude a settlement, without the consent of the supplier.

We reserve the right to demand either cancellation of the corresponding delivery contract against full reimbursement of the purchase price by the supplier, replacement of the affected part by another part at the supplier's expense, or payment to the owner of the property right for our indemnification by the supplier.

**17. Producer liability****17.1 Indemnification from third party claims**

If the supplier is responsible for product damage, it indemnifies us against claims by third parties to the extent that the cause lies within the supplier's sphere of control and organisation and the supplier is itself liable in relation to third parties.

**17.2 Reimbursement of expenses**

Within the scope of its indemnification obligation, the supplier must reimburse expenses in accordance with Sections 683, 670 BGB that arise from or in connection with a third party claim, including recall actions carried out by us. We will inform the supplier about the content and scope of recall measures – as far as possible and reasonable – and give it the opportunity to comment. Further legal claims remain unaffected.

**18. Assignment – Offsetting****18.1 Ban on offsetting**

Claims against us arising from the delivery contract may only be offset against claims which have been legally established or which are undisputed by us.

**18.2 Prohibition of assignment**

An assignment of these claims is not permitted.

**19. Insolvency of the supplier**

We are entitled to withdraw from the contract if insolvency proceedings are applied for or opened against the assets of the supplier, or if the supplier ceases payments or liquidates its company either voluntarily or compulsorily. We are also entitled to this right if the contract has been fulfilled in whole or in part by one or both contracting parties as long as the supplier's warranty obligation still exists.

**20. Place of performance – Place of jurisdiction – Applicable law****20.1 Place of performance**

The place of performance for the delivery is the place of delivery specified by us. Place of performance for payment is Obergünzburg, Germany.

**20.2 Place of jurisdiction**

Kempen, Germany is the place of jurisdiction for all disputes arising from the contractual relationship, including proceedings relating to bills of exchange and other documentary proceedings, if the supplier is a merchant, a legal entity under public law, or a special fund under public law.

**20.3 Applicable law**

The substantive law of the Federal Republic of Germany applies to the entire contractual relationship in any case, even if a domestic place of jurisdiction is not given and irrespective of any conflicting provisions of the private international law of the Federal Republic of Germany. Such provisions do not affect the above agreement on the place of jurisdiction.

**21. Advertising with the business relationship**

Advertising that makes mention of the business relationship with us is not permitted without our prior written permission.