

## GENERAL CONDITIONS OF PURCHASE

### 1. General Provisions

**1.1** Unless otherwise expressly agreed upon, all our business transactions – also future ones – shall be exclusively subject to these Conditions of Purchase. We shall not recognise any of the seller's conditions to the contrary, the seller's terms and conditions hereby being objected to. Our conditions of purchase shall apply even if, in awareness of the seller's conditions to the contrary, the seller's performances are accepted by us without reservation.

Any modification of the following conditions shall be subject to our prior written approval or to a written agreement in order to be effective.

**1.2** As far as these Conditions do not contain provisions regarding individual legal issues, statutory law shall apply.

**1.3** We shall have the exclusive ownership and copyright of any depictions, drawings, calculations and other documents made available to the seller. On principle, and especially if marked as confidential, they shall not be disclosed to third parties. The obligation of secrecy shall persist beyond the execution of the contract and shall not cease before the production know-how contained in such documents has become generally known. The seller may use our documents only for production purposes in connection with our order and shall return them to us upon execution of the order without being requested to do so.

**1.4** Any information made known to the seller in connection with our orders shall be considered confidential.

**1.5** Place of performance for seller's obligation to perform and for our obligation to pay shall be the indicated business address.

### 2. Conclusion of Contract

**2.1** Any declarations and agreements between us and the seller concerning the contract, its conclusion, and its execution, must be made in writing.

**2.2** The offers made by the seller shall be binding and without charge for us.

**2.3** The period of acceptance for our orders shall be two weeks from the date of offer.

### 3. Terms of Performance

**3.1** Delivery shall be effected "franco domicile".

**3.2** The seller shall indicate our order number on all shipping documents, delivery notes and invoices. The seller shall be responsible for any implications resulting from the non-observance of this instruction.

**3.3** Any delivery dates and deadlines specified by us shall be binding. The relevant date for meeting these deadlines shall be the date of receipt of delivery. The seller shall give us written notice as soon as he knows that he will not be able to meet the delivery dates agreed upon.

**3.4** Partial deliveries and deliveries prior to the delivery date specified shall be inadmissible. In the event that delivery has nevertheless been accepted, this shall not affect the terms and dates of payment originally agreed upon.

**3.5** In case of a delay in delivery we may claim for each commenced week of delay a contractual penalty in the amount of 1 % of the order value, limited, however, to a maximum amount of 5 % of the order value. In the event that we should claim damages, the contractual penalty shall be

offset against the damages claimed. We shall declare reservation of a contractual penalty at the latest upon settlement of the invoice which follows the delayed delivery.

### 4. Terms of Payment

**4.1** The prices indicated in the order shall include the packaging of the goods and shall be binding. The packaging shall not be returned.

**4.2** Any payments to be made by us shall not become due before complete receipt of the goods and the duly made out invoices.

**4.3** The purchase price shall be settled by us within 14 days with a 3 % discount, or within 30 days net, counted from the date of receipt of the delivery and the invoice.

**4.4** The seller shall not assign, pledge, or in any other way make use of, his claims against us.

### 5. Warranty

**5.1** Defects shall be deemed notified in time, if such notification has been sent to the seller within 14 days from the delivery of the goods. In case of hidden defects, the period of notification shall commence upon detection of the defect.

**5.2** In urgent cases, and if agreed upon with the seller, a defect may be remedied by ourselves at the seller's expense.

**5.3** The refusal to continue negotiations concerning controversial claims pursuant to Sect. 203 sentence 1 of the Civil Code must be made in writing.

### 6. Liability

**6.1** As far as the seller is liable for defects in the products whose cause falls within his sphere of responsibility, he shall release us from any third-party damage claims.

**6.2** The seller shall maintain product liability insurance with a global amount covered of 2.5 million € per personal damage/property damage. Any further damage claims shall remain unaffected.

**6.3** If possible and reasonable, we shall inform the seller of necessary recall actions of the products delivered and give him the opportunity to make a statement. The seller shall bear any costs incurred by us due to, or in connection with, such recall action.

### 7. Reservation of Title

**7.1** The seller's reservation of title shall only be effective provided that we are authorised to resell and use the goods for production in the ordinary course of business and that the reservation of title expires upon settlement of the purchase price.

**7.2** If parts for the production of the goods are made available to the seller by us, we shall reserve title of such goods (reserved goods). Any use for production pursuant to Sect. 950 of the Civil Code shall be effected on our behalf as manufacturer without engaging us. We shall have a property share in the new goods in proportion of the invoice value of the reserved goods to the value of the new goods.

**7.3** Should the seller combine the reserved goods inseparably with goods other than the purchaser's goods and become the sole owner of the new goods pursuant to Sects. 948, 947 II of

the Civil Code, he shall assign to us now the proportionate share in the property.

**7.4** The seller shall keep our (share) in the property in storage for us free of charge.

**7.5** We shall reserve title in any tools produced on our behalf. The seller may employ such tools only for the production of the goods ordered by us and shall insure them at their original value against the usual risks. The seller shall have any necessary maintenance and inspection work carried out at his own expense. He shall inform us immediately of any malfunction.

### 8. Industrial Property Rights and Rights of Use

**8.1** In the event that depictions, drawings, product descriptions, data sheets or other documents have been produced on our behalf, the seller shall herewith assign to us the exclusive right of use and exploitation, as well as the industrial property rights.

**8.2** The resulting work produced on our behalf may be published exclusively by us.

**8.3** In the event that, due to our using the work performed, third parties should assert claims against us for the infringement of industrial property rights or copyrights, the seller shall take the necessary defence and out-of-court measures in order to pursue his rights. In addition, the seller shall indemnify us for any costs and damage caused to us due to, or in connection with, third-party claims asserted against us.

### 9. Import and Export Restrictions

Prior to the conclusion of the contract seller must inform us in writing about any necessary authorization to get by seller or by us and about any notification requirements in connection to the import and export and the operation of the delivery subject and Seller must notify the ECCN – numbers and the existing classification if there any in writing to us. Together with the delivery Seller must comment to us in writing the supplier declaration of preferential origin status of goods according to the regulation (EC) no. 1207/2001 in the respectively legal version.

### 10. Applicable Law, Jurisdiction

**10.1** All legal relationships between us and the seller shall be exclusively governed by German law, excluding the UN Convention on Contracts on the International Sale of Goods.

**10.2** For any disputes directly or indirectly arising from the legal relationship between us and the seller, the courts at our place of business shall have jurisdiction. The seller may, however, also be sued by us before the courts having jurisdiction at his general place of business.

### 11. Partial Invalidity

In the event that any provisions of these General Conditions of Purchase should be partly or entirely invalid, the remaining provisions shall have full validity.