

## **General terms and conditions of purchase**

To be applied when dealing with companies, judicial public law persons and public-law special assets.

### **1. General**

Our purchase conditions shall apply exclusively, any general terms and conditions of the supplier, which are contrary to, or which deviate from our purchase conditions, will only be recognized by us, as far as we have agreed to them explicitly in writing. An acceptance of goods or services from the supplier (hereafter: contract subject matter) or their payment does not represent our consent.

### **2. Contract conclusion and contract changes**

2.1. Orders, acceptances, delivery schedules, delivery contracts and any other legal business matters to be agreed between us and the supplier, as well as any changes or amendments, shall require the written form. Orders, acceptances and delivery schedules may, however, be sent using long-distance data transmission tools.

2.2. Any queries sent from us to the supplier shall merely be regarded as an invitation to the supplier to provide an offer.

2.3. Quotes shall be binding and not to be increased, unless explicitly agreed otherwise.

2.4. The supplier is to confirm our order in writing as soon as possible, but within 3 days of receipt at the latest, otherwise we shall be entitled to withdraw our order.

2.5. As far as is reasonable for the supplier, we may request changes to the contract subject matter in regards to construction and execution. Here, any effects, especially in regards to additional and reduced costs and delivery dates, shall be handled in an appropriate and amicable manner. Any changes on the supplier side shall require our written consent in order to take effect.

2.6. The supplier shall be obligated to check drawings, calculations, specifications and other stipulations supplied by us for errors and ambiguities in the context of their general and specialist expertise and are required to notify us in writing as soon as possible, as well as to clarify if there are any concerns.

2.7. The supplier shall carry the exercise risks for the goods.

### **3. Delivery dates, transfer of risk and transport**

3.1. The delivery dates and deadlines stipulated in the order or the delivery schedule shall be binding.

3.2. Unless agreed otherwise, the delivery is to be sent to us or to a delivery destination stipulated by us as per DDP Incoterms 2010.

3.3. In regards to the adherence to delivery dates or delivery deadlines, the receipt of the contractual goods and the delivery papers by us or by a receiving center nominated by us shall be decisive.

3.4. In case of agreed dates not being adhered to, the legal regulations shall apply. If the supplier is experiencing difficulties in regards to the manufacture, the supply of semi-finished goods, the adherence to the delivery dates or similar circumstances, which may keep them from a timely delivery or a delivery to the agreed quality, the supplier shall notify us immediately.

3.5. The acceptance of a delayed delivery or service without reservations does not mean that we are waiving compensation claims in regards to delayed deliveries or services – this shall apply to the respective delivery or service until the payment owed by us has been transferred in full.

3.6. Partial deliveries are generally not permitted, unless we have agreed to them explicitly, or they are reasonable.

3.7. If the supplier has agreed to a set-up or assembly, the supplier shall, unless agreed otherwise, cover all necessary additional costs, such as travel costs and the provision of tools, subject to deviating regulations.

3.8. Both in the case of over- and/or under-delivering on the ordered amounts, as well as in the case of an early delivery, we reserve the right to refuse an acceptance of the goods at the expense of the supplier, or to re-value the invoice respectively.

3.9. The supplier is to package the goods appropriately.

3.10. The supplier confirms that the goods do not contain any substances, which would be subject to the area of applicability of prohibited substances in accordance with EC Directive 2011/765/EU (RoHS). The supplier furthermore confirms that those substances contained within the goods, as well as their use, have either already been registered, or do not need to be registered in accordance with Ordinance (EC) no. 1907/2006 (REACH Ordinance) and that, where required, a license has been obtained in accordance with the REACH Ordinance. If required, the supplier will also compile and provide a safety data sheet in accordance with attachment II of the REACH Ordinance. If any goods are being delivered, which need to be classified as hazardous goods in accordance with international regulations, the supplier shall notify us of this at the time of confirming the order at the latest.

3.11. The supplier is to provide adequate support in regards to the obtaining of custom and state privileges and shall provide us with evidence and documents, and in particular certificates of origin for this purpose.

#### **4. Force majeure**

Any force majeure, unrest, governmental actions and other unavoidable events shall release us and the supplier from the obligation to provide these services for the duration of the interruption and to the extent of its impact.

#### **5. Prices and payment conditions**

5.1. All prices are fixed prices. All additional delivery costs (customs, packaging, transport, insurance) shall be indicated separately by the supplier as part of their offer and are, with the exception of legal value added tax, to be met by the supplier, unless agreed otherwise in writing. Any price increases in regards to the contractual item, including an increase in additional delivery costs, shall require our prior written consent in order to take effect.

5.2. Unless agreed otherwise, the payment of the invoice shall either take place within 10 days of the payment demand and the receipt of both the invoice and the goods or the provision of the service whilst applying a cash discount of 2%, or within 30 days but without deductions. The payment shall be subject to an audit of the invoice.

5.3. We are legally entitled to sett-off and retention rights, as well as the defense of a non-fulfilled contract. We are furthermore entitled to retain any payments due, as long as we have a claim against the supplier based on incomplete or faulty services.

## **6. Notification of defects**

We are to notify the supplier of any defects in regards to the contractual item within 10 working days of identifying these in accordance with normal business procedures. The supplier shall therefore waive the option of an objection due to a delayed notification of defects. Our obligation to check for and notify any defects shall be limited to the checking of the quantity statements made on the respective delivery slip, as well as the checking for visible transport damages (optical defects) at the time of delivery. Otherwise, the obligation to check for and notify any defects shall be waived and the supplier explicitly waives the possibility of an objection in regards to the notification of defects not having been carried out correctly in accordance with § 377 of the commercial code (HGB).

Any payments made by us do not represent a recognition of the item being free from defects.

## **7. Guarantee**

7.1. The supplier is obliged to ensure that the contractual items are free from defects. They especially guarantee that the contractual items utilize latest technology, and that they correspond to generally recognized technical safety regulations issued by the authorities and professional bodies, and that they correspond with the applicable legal regulations.

7.2 The legal regulations in regards to material defects and defective titles apply, unless agreed otherwise.

7.3 We are generally entitled to the right to choose a remedial action. The supplier may only refuse the type of remedial action chosen by us, if it can only be carried out whilst incurring a disproportionate level of costs.

7.4 If the supplier fails to implement remedial actions following a request by us to remove a defect, we shall be entitled to carry these out ourselves, or to have them

carried out by a third party in urgent cases, and especially in order to avert imminent dangers or to avoid greater damage.

7.5 In the case of defective titles, the supplier shall release us from possibly existing third party claims, unless they are not responsible for the defective title.

7.6 The right to claim for damages shall expire within 3 years – except for cases of fraud – unless the item has been used in a construction in accordance with its designated use, and this has led to its deficiency. The period of limitation shall start following the delivery of the contractual item (transfer of risk).

7.7 Any contractual items, which could not remain in operation whilst checking the defect and/ or removing the defect, shall have their guarantee period extended by the time of their operational interruption.

7.8 In case of a replacement or in cases, where a repaired contractual item is showing the same defect or if a defect is the result of remedial action, the limitation period shall start again.

7.9 Should we incur any costs in regards to the delivery of defective contractual items, especially in regards to transport, shipping, work, assembly, removal, material or extensive received goods checks, these costs shall be met by the supplier.

7.10. Our other claims in regards to a breach of contract or of other obligations shall not be affected.

## **8. Product liability**

8.1. In case we are being claimed against due to product liability, the supplier shall be obligated to release us from such third party claims, if and as far as the damage was caused by a defect in the goods delivered by the supplier. In the case of fault-based liability, this shall only apply if the supplier is at fault.

8.2. In cases, which fall under figure 8.1, the supplier shall carry all of the costs and expenses, including the costs of possible legal proceedings.

8.3. In all other cases, the legal regulations shall apply.

8.4. We shall notify the supplier before carrying out product recalls, which are a full or partial consequence of a defect in the contractual item delivered by the supplier, and we will grant them an opportunity to become involved in the process, as well as to discuss an efficient approach, unless it is not possible to notify or involve the supplier due to the urgency of the matter. If the product recall is the result of a defect in the contractual item delivered by the supplier, the supplier shall meet the costs of the product recall.

8.5. The supplier shall be obligated to maintain adequate product liability insurance, as well as to provide evidence in this respect upon request.

## **9. Carrying out works**

Employees of the supplier, who have been tasked with carrying out works on our factory premises or third party premises, in order to fulfill the contract, shall adhere to the respective stipulations of our or third party plant regulations. Any liability for accidents involving these persons whilst on the factory premises shall be excluded, unless they were caused by an intentional or grossly negligent breach of duty by our legal representatives or assistants.

## **10. Provisions/Reservation of proprietary rights**

Any substances, parts, containers and specialist packaging provided by us shall remain our property. They may only be utilized in accordance with the regulations. The processing of substances and the assembly of parts is being carried out on our behalf. A mutual agreement has been reached that we shall be co-owners of the manufactured contractual item, in which the substances and parts provided by us, and which are being stored by the supplier on our behalf, have been used, namely to the extent of the proportion of the value of the provisions to the value of the overall product.

## **11. Confidentiality**

11.1. The contractual partners obligate themselves to treat all non-public business and technical details, of which they may become aware as a result of this business relationship, as trade secrets.

11.2. Any drawings, models, patterns, samples and similar objects may not be given to third parties, or made accessible in any other way, and they may only be utilized for the purposes of the respective contract between the supplier and us, and not for other purposes of the supplier. A distribution of such items may only be valid in the context of operational requirements and whilst adhering to copyright stipulations.

11.3. Sub-suppliers are to be obligated accordingly.

11.4. The contractual partners may only advertise the business link following our prior written consent.

## **12. Compliance**

12.1. The supplier shall be obligated to adhere to the respective legal regulations in regards to the handling of employees, environmental protection and occupational health and safety, and shall be committed to reduce any negative impacts of their work on humans and the environment. For this purpose, the supplier shall, to the best of their ability, set up and develop a management system in accordance with ISO 14001. Furthermore, the supplier shall adhere to the principles of the Global Compact Initiative of the UN. These mainly cover the protection of international human rights, the right to tariff negotiations, the abolition of forced labor and child labor, the removal of discrimination in regards to hiring and employment, accepting responsibility for the environment and the prevention of corruption.

12.2. If the supplier breaks the law on a repeated basis, and this despite respective warnings, and if they are unable to prove that the breach has been removed as far as possible and that adequate measures have been put in place in order to avoid future

breaches, we shall reserve the right to withdraw from existing contracts or to terminate these without notice.

### **13. Transfer and utilization of implementation tools**

Any equipment, models, samples, drawings and other documents produced by the supplier in accordance with our stipulations shall become our property after making the payment. From this point forward, the supplier shall borrow the items from us. Operational tools may only be utilized in order to process offers or to manufacture ordered contractual items or services. They may not be made accessible to third parties, nor may they be utilized for deliveries to third parties without our prior written consent. They are to be carefully stored by the supplier free of charge and at their own risk and shall be returned to us at any time upon our request, and without the supplier being able to apply retention rights, unless the supplier has been granted ownership rights as per the contract.

### **14. Miscellaneous**

14.1. The place of execution for payments shall be our office, which has been registered in the trade register.

14.2. The law of the Republic of Germany shall apply, whilst excluding any conflicts of law and the United Nations' Convention on Contracts for the International Sale of Goods (CISG).

14.3. If the supplier is a businessman, a public law judicial person or public law special assets, the exclusive place of jurisdiction for all disputes in regards to the contractual relationship shall be our registered office.

Last updated: February 2016