

Standard Terms and Conditions of Purchase

1 General provisions

- 1.1 These standard terms and conditions shall apply to all current and future business relations. We do not accept the supplier's contrary or deviating conditions of purchase unless we have expressly agreed in writing to their validity. Our terms and conditions of purchase shall also apply if we accept deliveries without reservation with knowledge of the supplier's terms and conditions that are contrary to or deviate from our conditions of purchase.
- 1.2 Our terms and conditions of purchase apply only to companies within the meaning of section 14 of the German Civil Code.

2 Placing and accepting orders

- 2.1 An order shall not be deemed to have been placed unless we have put it in writing and signed it. Oral or telephone orders shall not be binding on us unless we confirm them subsequently in writing.
- 2.2 Acceptances of orders must be confirmed within two weeks of the order by means of a signature on the copy of the order. If confirmation is not received, or not received in time, we shall be entitled to revoke the order.
- 2.3 Deviations in quantity and quality from the wording and contents of our order and of subsequent amendments to the contract shall only be deemed to be agreed when we confirm the explicitly in writing.

3 Prices, terms of payment

- 3.1 The price shown in the order shall be binding. Unless otherwise agreed in writing, the price shall include delivery free of charge to the address of the buyer, including packaging. Return of packaging shall be subject to a separate agreement.
- 3.2 The price shall include VAT.
- 3.3 We are only able to process invoices if they show the order number as contained in our order; the supplier shall be responsible for the consequences of non-compliance with this obligation, unless he can show proof that he was not responsible for this.
- 3.4 Unless otherwise agreed in writing we shall pay the purchase price with 3% discount within three weeks of a complete delivery free of all defects or net within five weeks. This shall apply correspondingly in the case of part deliveries. Delays caused by incorrect or incomplete invoices or defective or incomplete deliveries shall not affect the deadlines for discounts.
- 3.5 Claims by the supplier against us may only be assigned to third parties with our consent.
- 3.6 We shall be entitled to the statutory rights of setoff and retention.

4 Delivery period

- 4.1 The delivery period shown in the order shall be binding. The period runs from the date of the order. The goods must be received at the receiving point that we indicate within the period or by the delivery date. If delays are to be expected, the supplier shall notify us of this without delay and obtain our decision on the maintenance of the order.
- 4.2 In the case of delays to delivery we shall be entitled to the statutory rights, in particular those in accordance with sections 280, 281, 286, 323, 325 and 326 of the German Civil Code.
- 4.3 If the supplier is in default we shall have the right, after issuing a warning, to demand a contractual penalty of 0.5% of the net value of the order for each week or part of a week, but not exceeding 5% of the net value of the order and/or to withdraw from the contract. Contractual penalties that are paid shall be set off against a claim for damages.
- 4.4 If a firm deal is agreed, e.g. through the use of the terms „fixed“, „precisely“, or if the typical unloading clauses (FOB, CIF as per the Incoterms) are agreed in accordance with commercial custom, we shall be entitled in the case of non-compliance with the delivery date to withdraw from the contract or to demand damages without setting a period of grace.

5 Despatch and transfer of risk

- 5.1 Unless otherwise agreed in writing all deliveries shall be at the cost of the supplier free of charge to the reception point that we indicate. If we are responsible in an exceptional case for the freight charges, the supplier shall use the transport type that we prescribe, otherwise the type of transport and delivery that results in the least cost for us.
- 5.2 The risk shall not be transferred until the goods have been inspected for acceptance at our reception point.
- 5.3 The packaging shall be included in the price. If otherwise agreed by way of exception, the packaging shall be invoiced at cost. The supplier shall choose the type of packaging we prescribe and shall ensure that the goods are protected from damage by the packaging.

6 Documentation

- 6.1 Each consignment shall contain invoices, delivery notes and packing slips in duplicate. These documents must contain:
 - the order number,
 - the quantity and the quantity unit,
 - the gross, net and, where applicable, the calculation weight,
 - the article designations with our article numbers,
 - the remaining quantities in the case of part deliveries.
- 6.2 In the case of freight consignments advice of dispatch must be sent to us separately on the date of shipping.

7 Warranties

- 7.1 The supplier guarantees that the goods conform to our instructions, including appearance and labelling.
- 7.2 We agree to check the goods within a suitable period for any deviations from quality and quantity. Random samples shall be sufficient for this purpose. If a defect is found during an inspection, this shall be notified in accordance with the statutory provisions.
- 7.3 We shall be entitled without restriction to the statutory guarantee and warranty rights; independently of this we shall be entitled to demand that the supplier eliminates the fault or supplies a substitute. In this case the supplier agrees to pay all the costs necessary for eliminating the defect or supplying the substitute, in particular transport, carriage, labour and material costs.

8 Product liability

If the supplier is responsible for product damage he agrees to indemnify us from all claims for damages from third parties at first request if the cause is within his sphere of domination and organisational sphere and he is liable himself in legal relationships with third parties.

9 Industrial property rights

The supplier shall be responsible for ensuring that patents or other industrial property rights belonging to third parties are not infringed by the goods he delivers or by our utilisation of these goods. He shall indemnify us on the first written demand from all claims arising from the use of such industrial property rights. The supplier's obligation to indemnify us shall cover all expenses that necessarily accrue to us under or in connection with claims by a third party.

10 Force majeure

Force majeure, i.e. the occurrence of unforeseen events that are not intended by us, e.g., strikes, lock-outs, mobilisation, war, blockades, bans on imports and exports, or disruption of traffic or similar events that make it impossible or unreasonable for us to fulfil the contract, shall exempt us for the duration of the occurrence from the obligation to accept the goods on time. The parties to the contract agree to notify each other of such occurrences and to adapt their obligations to the changes circumstances in accordance with the principle of good faith.

11 Reservation of title, provision of material

- 11.1 If we provide material to the supplier we reserve the title to the material. Processing or refashioning by the supplier shall be done for us. If our re-served goods are processed with other goods that are not our property, we shall acquire co-ownership in the new item in the ratio of the value of our property (purchase price plus VAT) at the time of the processing to the other items that were processed.
- 11.2 If material that we provide is inseparably mixed with other objects that do not belong to us we shall acquire co-ownership in the new item in the ratio of the value of the reserved goods (purchase price plus VAT) at the time of the mixing to the other items that were mixed. If mixing takes place in such a way that the object belonging to the supplier is to be regarded as the main object, it shall be deemed to be agreed that the supplier shall assign pro rata co-ownership to us; the supplier shall safeguard the sole or co-ownership for us.
- 11.3 The supplier shall be liable even without fault for all reductions in the value or losses of material we supply.

12 Obligation of secrecy

The supplier agrees to treat all our orders and the appropriate commercial and technical details as business secrets. This obligation shall continue in force after the termination of the business relationship.

13 Final provisions

- 13.1 The laws of the Federal Republic of Germany including the provisions of the UN Sales Convention shall govern all legal relationships between the supplier and us.
- 13.2 If the supplier is a trader, a legal entity under public law or special assets under public law, the location of our registered place of business shall be the exclusive venue for all disputes arising under this contract. This shall also apply if the supplier does not have a general venue in Germany or if his address or usual place of abode are not known at the time proceedings are instituted.
- 13.3 The place of performance shall be our registered place of business.
- 13.4 If any of the provisions of the contract with the supplier including these Standard Terms and Conditions are or become wholly or partly invalid, this shall not affect the validity of the remaining provisions. The wholly or partly invalid provision shall be replaced by a provision whose financial aims most closely approach those of the invalid provision.