

I. Scope of Application

- Our terms and conditions of purchase set forth hereinafter shall apply to all contracts for the delivery of products made between us and the supplier. Such terms and conditions shall also apply to any future business relationships even if not expressly re-agreed. Any deviating terms and conditions of the supplier not expressly acknowledged by us shall not be binding on us, even if not expressly declined by us. Our terms and conditions of purchase shall apply even in the event that we accept the supplier's delivery without any reservations although having knowledge of any terms conflicting with or deviating from our terms and conditions.
- Any amendments of or additions to these terms and conditions, or any side agreements made between the supplier and us with respect to the execution of our order, including any waiver of this requirement of written form, must be in writing to be effective. Any deliveries of products or services made by the supplier without a written purchase order having been issued by us will not be accepted by us.

II. Quotation: Subject of Delivery

- Acceptance of our purchase order must be confirmed in writing within two weeks at the latest, stating our purchase order number in the confirmation. If the supplier does not accept our purchase order within said period, we shall be entitled to cancel our order without charge.
- Any drawings, plans, calculations, files, software and other documents related to our purchase order shall remain our property. All copyrights in and to such documentation are reserved by us and such documentation may not be disclosed to any third party without our express prior written consent. Supplier shall be obliged to use such documentation exclusively to manufacture the delivery items ordered by us. The foregoing confidentiality obligation shall survive the fulfillment of our order; it shall cease to apply if and to the extent that the production knowledge contained in the images, drawings, calculations, files and other documents furnished to supplier has become part of the public domain. Supplier shall bind its employees and parts suppliers accordingly.
- The supplier's products and services delivered shall comply with the applicable laws, health and safety regulations, public ordinances, directives, and industry standards effective at the time of delivery and shall reflect state-of-the-art technology.
- Supplier shall be obliged to keep an inventory of spare parts for the individual delivery items during the customary useful life period of such items. As long as the business relationship is ongoing, the supplier shall promptly notify us of any scheduled discontinuance of the production and shall ensure further supply at reasonable prices for a period of at least six months following such notice.

III. Prices and Payment Conditions

- The prices stated in our purchase order and confirmed by the supplier shall be fixed prices and, unless otherwise agreed in writing, shall be free buyer's address. Packaging costs shall be included in such prices, which shall be exclusive of statutory VAT which shall be stated separately. All of supplier's invoices shall comply with the statutory accounting requirements and shall state the purchase order number and article number provided by us.
- Unless otherwise agreed in writing with the supplier, we will make payment within 14 working days of the date of delivery of the products by the supplier and receipt of supplier's invoice subject to a deduction of a 3% cash discount, or within 30 days subject to a 2% cash discount, or net without deduction within 60 days.
- We shall be entitled to the full statutory rights of set-off and/or retention; we shall furthermore be entitled to assign all of our claims under the contract without the consent of the supplier. Supplier shall not be entitled without our prior written consent to assign any claims under the contractual relationship to any third party.
- We shall not be in default unless we have received a written notice to that effect; without such notice, we shall default not earlier than 30 days after the date of receipt and due date of the invoice. The amount of any damages resulting from any such delay shall be limited to statutory default interest, unless supplier proves that it has actually incurred higher damages.
- Any payment made by us shall in no case be deemed to constitute acknowledgement of proper delivery.

IV. Delivery; Retention of Title

- Supplier shall be obliged to procure the ordered products free of any third party rights.
- We shall acquire full title in and to the products delivered not later than upon payment therefore. No other or additional title retentions by the supplier or any third parties are being accepted by us.

V. Delivery Lead Time

- The delivery lead time or delivery date stated by us in our purchase order shall be binding upon the supplier. Unless otherwise agreed in writing to the contrary, the date of receipt of the goods at the place of delivery stated in our purchase order or – if the delivery is subject to acceptance – the date of acceptance of the delivery by us shall be the relevant date to establish whether the delivery lead time has been met or not. If the delivery date cannot be met, supplier has to promptly notify us accordingly. Supplier shall not be entitled to make partial deliveries or effect the delivery of any products or services prior to the agreed date unless having obtained our prior written consent thereto.
- Any extra costs necessary to expedite the delivery in order to ensure compliance with the agreed delivery date shall be borne by the supplier even in such cases where we by way of exception have agreed to bear the costs of normal delivery.
- In the event the supplier fails to deliver in due time, we shall be entitled to exercise the applicable statutory remedies. If we claim damages, supplier shall have the right to prove that it is not responsible for the breach of its obligations. No limitations of liability for the default in delivery are being accepted by us.

VI. Passing of Risk

Any risks shall pass on to us only upon acceptance by our goods receipt department. Place of delivery and performance shall be at the delivery address stated in our purchase order.

VII. Warranties/Liability

- To the extent reasonable in the proper course of business, and provided that no quality assurance agreements have been concluded between us and the supplier, we shall inspect the goods for any deviations in terms of quality and quantity; any deficiencies found by us shall be notified promptly. To this extent the supplier shall waive the defense of late notice of defects.
- We shall be entitled to the full statutory claims for defect towards the supplier and the supplier shall be liable to us to the extent provided for by law. In any circumstance we shall be entitled, at our option, to demand either the removal of any defects or delivery of a new item. The right to claim damages, including but not being limited to damages in lieu of performance, is being expressly reserved by us. In case of danger in delay, or in case of great urgency, we shall be authorized to remove the defects ourselves at the expense of supplier.
- Our warranty claims against the supplier shall not become time-barred prior to the expiry of 2 years following the delivery or, as the case may be, acceptance of the item if acceptance has been agreed. The limitation period shall start again for any parts that have been replaced or reworked by way of remedial action. If a material defect is discovered within the first six months after the passing of risk, such defect shall be deemed to have existed already at the time of the passing of risk.

VIII. Supplier's Liability/Insurance Cover

- In the event that claims are asserted against us by any third party as a result of a product damage for which the supplier bears the responsibility, the supplier shall indemnify us against all third party claims, including but not limited to the necessary costs of defending the same, if the cause of the damage is within supplier's sphere of control.
- In the event that due to damage we are required to initiate a recall campaign pursuant to section VI (1), supplier shall be obliged to reimburse us for all expenses incurred by us in the course of or in connection with the recall campaign so carried out by us. To the extent possible and reasonable for us under timing aspects, we will notify supplier of the subject and scope of such recall campaign and provide supplier with the opportunity to state its opinion. Any statutory claims in addition thereto, if any, shall remain unaffected by the foregoing.
- Supplier shall be obliged to take out and maintain product liability insurance cover in an amount reasonable with respect to the goods, but not less than EUR 5 million per each personal injury or property damage (the determination of the insurance limit to be made individually, depending on each individual product). Any other claims we may have under applicable law shall remain unaffected by the foregoing.
- In the event we are sued by any third party for the infringement of any third party's proprietary rights by the goods delivered by supplier, supplier hereby undertakes and agrees upon our first demand to indemnify us and hold us harmless from any such claims, including but not being limited to all necessary costs and expenses incurred by us in connection with such third party's claims and the defense thereof. We shall not be authorized to accept such third party claims and/or enter into any agreements with such third party with respect to the settlement of such claims without the written consent of supplier. Our indemnification claims hereunder shall become time-barred after a period of three years from the date the purchaser has gained knowledge of the claim being asserted by the third party or after 10 years from the date of delivery of the product, whichever is earlier.

IX. Provision of Materials/Workshop Facilities

- If we provide the supplier with materials, title to such materials is reserved by us. Any processing or alteration thereof by the supplier shall be performed on our behalf. If such materials subject to retention of title as aforesaid shall be processed in combination with any other materials not owned by us, we shall acquire the co-ownership in the new product in the proportion the value of the materials owned by us (cost plus VAT) bears to the other materials co-processed at the time of such processing. The same shall apply analogously if the materials owned by us cease to exist by mixing or merging the same with other materials. If and to the extent the security interests available to us exceed the aggregate purchase price of all of our retained goods still unpaid by more than 10%, we shall upon request by supplier be obliged to release any of such security interests in our discretion.
- We hereby reserve title to any workshop facilities (tools, models, samples, etc.) made available to supplier. Any workshop facilities manufactured by supplier based on our documentation or directly or indirectly paid for by us shall become our property. Supplier shall keep any such workshop facilities on our behalf without charge, exercising the due care of a prudent businessman. Supplier shall be obliged to use such workshop facilities for no purpose other than the manufacturing of the delivery items ordered by us. Any use of such workshop facilities for deliveries to third parties, or the passing on of such workshop facilities to any third party or the reproduction thereof for any third party purposes shall not be permitted unless we give our express consent thereto in writing.

X. Data Privacy

In the course of our business relationships, we will store information in accordance with the provisions of the German Data Protection Act (BDSG).

XI. Jurisdiction/Place of Performance/Applicable Law

- If supplier is a merchant as defined by the German Commercial Code (HGB), place of performance and exclusive legal venue for any deliveries and payments (including action for dishonored checks) as well as with respect to any disputes arising out of any agreements made between us and the supplier shall be at our principle place of business. We shall however also be entitled to sue the supplier in the courts of competent jurisdiction at supplier's place of residence/business.
- The relationship between the parties hereunder shall be exclusively governed by and construed in accordance with the laws of the Federal Republic of Germany.