

General Conditions of Purchase

1. General provisions

1.1 The following Conditions of Purchase shall apply exclusively. Any conditions of the Supplier which are contrary to or different shall not be recognised unless we have expressly consented to their validity in writing. Our Conditions of Purchase shall also apply when we are aware of the Supplier's conditions which are contrary to or different from our Conditions and accept the delivery of the Supplier without reservations.

1.2 All arrangements, which are made between us and the Supplier for the purpose of executing this Agreement, are to be enshrined herein in writing. Verbal special agreements do not exist.

1.3 Our Conditions of Purchase shall also apply to all future business dealings with the Supplier.

2. Offer

2.1 The Supplier shall strictly adhere to the enquiry and explicitly point out any discrepancies. The offer shall be made in writing.

2.2 If the Supplier has reservations about the desired arrangements for performance, it shall notify thereof in writing without undue delay.

2.3 The offer shall be without payment and does not constitute any undertaking for the inquiring party. Cost estimates shall not be remunerated.

2.4 The costs of packaging, and for customs clearance and customs shall be stated separately.

3. Order

3.1 The prices indicated in the order are fixed prices and exclude any subsequent claims whatsoever.

3.2 The take-back obligation in respect of the packaging shall be determined by the statutory provisions.

4. Delivery, delivery date and delayed delivery

4.1 The delivery shall be made at the expense and risk of the Supplier until it reaches the place of destination that we have specified.

4.2 The Supplier shall select that means of transport most affordable and most suitable for the Purchaser.

4.3 In principle, the Supplier shall package, label and ship hazardous products in accordance with the applicable national/international regulations.

4.4 A delivery note in duplicate stating the order number and order date shall be attached to the delivery.

4.5 The delivery date stated in the purchaser order shall be binding. The receipt of the goods at the place of destination that we have specified shall determine adherence to the delivery date.

The Supplier shall notify us in writing if circumstances occur or it realises that the specified delivery date cannot be adhered to.

4.6 The Supplier shall avow for the procurement of the supplies and services required for the delivery and performance, even through no fault of its own.

4.7 If the Supplier does not provide the delivery within the agreed delivery time, it shall be liable in accordance with the statutory provisions.

4.8 In the event of a delay, we are entitled to demand a contractual penalty of 1% of the order value up to a maximum of 10% of the order value for each full week of delay; the right to claim further compensation is reserved. Where we claim compensation, the contractual penalty shall set off against this. We are obligated to declare the reservation of the contractual penalty at the latest when paying the invoice which follows the delayed delivery.

4.9 The Supplier shall notify us immediately in writing of the omission of necessary documentation to be delivered to us and shall set a deadline for the subsequent delivery thereof.

4.10 If the delivery is made earlier than the agreed upon date, we reserve the right to return the goods at the expense of the Supplier. Any goods delivered prior to the agreed delivery date shall be stored on our premises until the delivery date at the expense and risk of the Supplier.

4.11 We shall accept partial delivery only following an explicit written agreement. In the case of agreed partial shipments, the remaining quantity shall be specified.

5. Invoice and payment

5.1 Invoices shall reflect the sequence of the text and prices of the order and shall be submitted to us after delivery has been made stating the order number and order date.

5.2 Any and all additional or reduced services shall be specified separately in the invoice.

5.3 Invoices not submitted in due form shall be deemed to have been received by us only at the time of receipt of the corrected invoice.

5.4 The maturity of claims shall arise only following full goods receipt and following receipt of the invoice documents that have been prepared in due form.

5.5 Unless otherwise agreed in writing, we shall pay the purchase price within 14 days from the date of delivery and receipt of the invoice at a discount of 3% or within 30 days net following delivery and receipt of the invoice.

5.6 We shall retain any statutory rights of set-off or rights of retention

5.7 The Supplier may only dispose of its claims against us through assignment, pledge or by other means after having obtained our prior written consent.

5.8 If certifications on material tests are agreed, they shall form an integral part of the delivery and shall be forwarded to us along with the delivery.

6. Warranty, notification of defects and liability

6.1 The Supplier shall warrant that the deliverable does not have defects that would compromise its value or its suitability, has the agreed or guaranteed condition, is suitable for use provided for in the agreement, complies with the generally accepted engineering practice, the latest regulations of the relevant authorities, the Machine Safety Code, the specifically applicable safety requirements and the work safety and accident prevention regulations.

6.2 If the deliverable does not conform to these requirements, the Purchaser may, at its own discretion, demand that the defect be removed or the delivery of non-defective goods, withdraw from the Agreement in accordance with the statutory provisions, reduce the purchase price or demand compensation or compensation for expenses incurred in vain. A rectification of defects shall be deemed to have failed after an initial unsuccessful attempt.

6.3 If the Supplier warrants for the condition or durability of the deliverable, the Purchaser may also exercise claims under the warranty.

6.4 Any and all deviation from the stipulated condition of the goods shall be material if specific features of the goods may only be used to a limited extent.

6.5 The Purchaser shall examine the goods within the appropriate deadline for any and all variance in terms of quality or quantity.

6.6 The statutory limitations shall apply unless explicitly agreed otherwise.

6.7 The warranty claims of the Supplier shall also apply to the parts delivered to it by sub-suppliers.

6.8 If the Supplier does not begin to remove the defect immediately upon our requesting it to do so, we shall be entitled to do so ourselves at the expense of the Supplier or arrange for third parties to do so if there is a risk in delay or in case of urgency, in particular to avert acute hazards.

6.9 In all other respects, the Supplier shall be liable in accordance with the statutory provisions.

7. Quality Assurance

7.1 The Supplier shall carry out quality assurance of a suitable nature and scope corresponding to the state of the art and shall document this upon request.

7.2 If required, the Supplier shall conclude a relevant quality assurance agreement with us.

8. Retention of Title, copyright and confidentiality

8.1 A retention of title on the part of the Supplier shall only become a contractual component if the retention of title becomes void upon payment of the price agreed for the goods subject to retention and we are authorised to resell and process them in the course of normal business operations.

An additional retention of title on the part of the Supplier shall not be accepted.

8.2 We reserve rights of title and copyright to the diagrams, drawings, calculations and other documents ceded to the Supplier. They may not be made available to third parties without our explicit written consent. They shall be used exclusively for production for reasons of our order. After the order has been processed, they shall be returned to us without solicitation.

8.3 The Supplier shall treat as strictly confidential all samples, drawings, calculations and other documents and information received, they may only be disclosed to third parties with our explicit consent. The duty of non-disclosure shall also apply after implementation of this Agreement. It shall become void only if and to the extent that the knowledge contained in the ceded diagrams, drawings, calculations and other records has become generally known.

8.4 The Supplier may only refer to the information and advertising material relating to our business relations with our explicit written approval.

8.5 The Supplier shall be liable for damage which we suffer from the violation of any of these obligations.

9. Third-party rights

9.1 The Supplier gives assurance that no third-party rights will be violated in connection with its delivery and indemnifies us against any and all third-party claims. The indemnification of the Supplier shall apply to all expenses and damages incurred by us from or in connection with utilisation by a third party.

9.2 The statutory limitation for such claims amounts to 10 years from conclusion of the relevant contract.

10. Product liability, indemnification and third-party liability insurance cover

10.1 If the Supplier is responsible for product damage, it shall indemnify us against third-party claims for compensation on first demand, where the cause lies with its control and organisation and it itself is liable in relation to third parties.

10.2 In this context, the Supplier shall also reimburse any and all expenses incurred from or in connection with a recall action conducted by us. To the extent feasible and reasonable, we shall notify the Supplier of the content and scope of the recall measures to be carried out and allow it to make a statement.

10.3 The Supplier undertakes to generally maintain product liability insurance with a limit of indemnity of EUR 2.5 million for personal injuries/material damages; where we are entitled to additional claims for damages, these shall remain unaffected.

11. Applicable Law, interpretation of clauses

11.1 The law of the Federal Republic of Germany shall apply exclusively to these Conditions of Purchase and the entire legal relationship between us and the Supplier. The application of the UN Convention on the Contract for the International Sale of Goods of 11 April 1980 (CISG) shall be excluded.

11.2 Standard commercial clauses shall be interpreted in accordance with the specifically applicable Incoterms.

11.3 The Supplier undertakes to comply with the Wage Royalty Law Rhineland-Palatinate as amended.

11.4 The Supplier shall not employ illegal workers in order to discharge its delivery obligations (products and/or services).

11.5 The Supplier shall ensure that the products delivered by it were not produced using exploitative child labour within the meaning of the ILO Convention No. 182.

12. Place of Performance and jurisdiction

12.1 The place of performance is our place of registered office, unless otherwise stated in the order.

12.2 To the extent that the Supplier is a businessman as defined by the German Commercial Code, our place of registered office is the exclusive venue unless another jurisdiction is mandatory. We may, however, also sue the Supplier at the court competent for its place of registered office.

As at: September 2014