

Terms and Conditions of Purchase

(issued January 28th, 2020)

§ 1 General and Scope of Application

- (1) Our following Terms and Conditions of Purchase shall apply exclusively; we do not accept any terms and conditions of the supplier that are contrary or deviate from our Terms and Conditions of Purchase, unless we have explicitly agreed to their validity in writing. Our Terms and Conditions of Purchase shall also apply even if we accept the Supplier's delivery without reservation in the knowledge that the Supplier's terms and conditions conflict with or deviate from our Terms and Conditions of Purchase.
- (2) Our Terms and Conditions of Purchase shall also apply to all future transactions with the Supplier.
- (3) Our Terms and Conditions of Purchase shall only apply towards entrepreneurs according to § 310 para. 1 BGB (German Civil Code).

§ 2 Offer-Bidding Documents

- (1) The supplier is obliged to accept our order within a period of two weeks.
- (2) We reserve property rights and copyrights to illustrations, drawings, calculations and other documents; they may not be made accessible to third parties without our explicit written consent. They are to be used exclusively for production on basis of our order; after completion of the order they are to be returned to us unrequested. If the documents or information are available in digital form, the corresponding files must be deleted. They are to be kept secret from third parties, in this regard the regulation in No. 9 Para. 5 applies additionally.

§ 3 Prices- Terms of Payment

- (1) The net price stated in the order is binding. Unless otherwise agreed in writing, the price shall include free delivery to our factory in Fluorn-Winzeln, packaging included (according to "DDP" Incoterms® 2010). Returns of packaging shall require a special agreement.
- (2) The invoices are to be submitted by the supplier free of charge. We can only process invoices if these - in accordance with the specifications in our order - state the order number and item numbers shown there and comply with the statutory provisions, in particular contain the tax number and VAT ID; the supplier is responsible for all consequences arising from non-compliance with this obligation, unless he can prove that he is not responsible for them.
- (3) Unless otherwise agreed in writing, we shall pay the invoice amount within 14 days, calculated from delivery and receipt of invoice, with 3% discount or within 30 days after receipt of invoice net.
- (4) We are entitled to rights of set-off and retention in the legal scope.

§ 4 Delivery Time

- (1) The delivery time stated in the order is binding.
- (2) The supplier is obliged to inform us immediately in writing if circumstances occur or become apparent to him which indicate that the agreed delivery time cannot be met.
- (3) In case of delay in delivery we are entitled to all legal claims. In particular, after unsuccessful expiry of a reasonable period of time, we are entitled to demand compensation instead of performance and to withdraw from contract. If we demand compensation, the supplier shall be entitled to prove to us that he is not responsible for the violation of duty.

§ 5 Transfer of Risk - Documents

- (1) Unless otherwise agreed in writing, delivery should be "free domicile" our factory in Fluorn-Winzeln, packaging included (according to "DDP" Incoterms® 2010).
- (2) The supplier is obliged to indicate our order number exactly on all shipping documents and delivery notes; if he fails to do so, we are not responsible for the resulting delays in processing.

§ 6 Inspection for Defects - Liability for Defects

- (1) The supplier is obliged to check the goods before shipment to ensure that they meet the specifications given in the order and are free from defects. If goods are delivered in violation of this obligation to check outgoing goods, the supplier cannot rely on § 377 HGB.
- (2) On receipt of goods we are only obliged to inspect the shipment for obvious identity and quantity deviations and transport damage. The complaint shall be considered timely if it is received by the supplier within a period of 10 working days, calculated from receipt of the goods or, in the case of hidden defects, from discovery.
- (3) We shall be entitled to all legal claims for defects; in any case, we shall be entitled to demand that the supplier corrects the defect or delivers a new item at our option. We expressly reserve the right to claim damages, in particular the right to claim damages instead of performance.
- (4) We are entitled to correct the defects ourselves at the supplier's expense if the supplier is in delay.
- (5) The period of limitation is 36 months, calculated from the transfer of risk, unless the mandatory provisions of §§ 478, 479 BGB intervene.

§ 7 Product Liability - Exemption

- (1) Insofar as the supplier is responsible for product damage, he shall be obliged to indemnify us on first demand from claims for damages by third parties insofar as the cause lies within his sphere of control and organization and he himself is liable in the external relationship.
- (2) Within the scope of his liability for cases of damage in the sense of paragraph 1, the supplier is also obliged to reimburse any expenses in accordance with §§ 683, 670 BGB (German Civil Code) or §§ 830, 840, 426 BGB (German Civil Code) which arise from or in connection with a recall action carried out by us. We will inform the supplier - as far as possible and reasonable - about the content and scope of the recall measures to be carried out and give him the opportunity to comment. Other legal claims shall remain unaffected.

§ 8 Property Rights

- (1) The supplier guarantees that no rights of third parties are violated in connection with his delivery.
- (2) If claims are asserted against us by a third party for this reason, the supplier is obliged to indemnify us from these claims at our first written request; we are not entitled to make any agreements with the third party - without approval of the supplier - in particular to conclude a settlement.
- (3) The supplier's obligation to indemnify us refers to all expenses which necessarily result for us from or in connection with the claim made by a third party.

§ 9 Retention of Title - Materials Provided - Tools - Confidentiality

- (1) Insofar as we provide material to the supplier, we reserve the right of ownership. Processing or transformation by the supplier is carried out for us. If our reserved goods are processed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of our item (purchase price plus VAT) to the other processed items at the time of processing.
- (2) If the parts provided by us are inseparably mixed with other items not belonging to us, we shall acquire co-ownership of the new item in the ratio of the value of the item subject to retention of title (purchase price plus VAT) to the other mixed items at the time of mixing. If the mixing is carried out in such a way that the item produced by the supplier is to be regarded as the main item, it is agreed that the supplier shall transfer proportional co-ownership to us; the supplier shall keep the item in our sole ownership or co-ownership for us.
- (3) In case of a separately concluded tool contract, 9.3 shall only apply subordinately.
We reserve title to tools; the supplier is further obliged to use the tools exclusively for the production of the items ordered by us. The supplier is obliged to ensure the tools belonging to us at replacement value at his own expense against fire, water and theft. At the same time, the supplier hereby assigns to us all claims for compensation under this insurance; we hereby accept the assignment. The supplier is obliged to carry out any necessary maintenance and inspection work on our tools as well as all maintenance and repair work at his own expense and in good time. He must notify us immediately of any malfunctions; if he culpably fails to do so, claims for damages shall remain unaffected.
The tools which are our property are to be returned to us immediately on request. Only orders that have not yet been completed may be completed. A right of retention cannot be asserted by the supplier against our claim for surrender unless the counterclaim asserted by the supplier to justify the right of retention has been recognized by us, is undisputed or has been legally established.
- (4) Insofar as the security rights to which we are entitled in accordance with para. 1 and/or para. 2 exceed the purchase price of all our reserved goods not yet paid for by more than 10%, we are obliged to release the security rights of our choice at the supplier's request.
- (5) In case of a separately concluded confidentiality agreement, 9.5 shall apply only subordinately.
The supplier is obliged to keep all illustrations, drawings, calculations and other documents and information received strictly confidential. They may only be disclosed to third parties with our explicit consent. The obligation of confidentiality shall also apply after the execution of this contract; it shall expire if and insofar as the manufacturing knowledge contained in the illustrations, drawings, calculations and other documents provided has become generally known.

§ 10 Place of Jurisdiction – Place of Performance – Choice of Law

- (1) If the Supplier is a merchant, the place of jurisdiction shall be our place of business in 78737 Fluorn-Winzeln; however, we shall also be entitled to sue the Supplier at the court of his place of residence/company headquarters.
- (2) Unless otherwise stated in the order, our registered address at 78737 Fluorn-Winzeln shall be the place of performance.
- (3) The law of Federal Republic of Germany shall apply; application of the UN Sales Convention (CSIG) is excluded.