

§ 1 General

- The following General Conditions of Purchase (hereafter referred to as Conditions) apply exclusively to all current and future purchasing contracts even when we do not refer to these Conditions explicitly.
- We do not accept any conditions of sale and delivery drawn up by the supplier which contradict the Conditions defined herein unless we have explicitly agreed to them in writing in advance. This also applies when we do not challenge such conditions explicitly. We will not recognise any conditions of sale and delivery put forward by the supplier unless we have explicitly agreed to them in writing in advance.
- We hereby object to any conditions of sale and delivery drawn up by the supplier which contradict the Conditions defined herein. Any guidelines drawn up by the supplier which define the form which such an objection has to take do not affect the validity of the objection hereby made by us. If the supplier's conditions of sale and delivery contain a clause which generally rules out such an objection, such conditions will be replaced by the applicable provisions laid down by law.
- Our Conditions also apply when we accept deliveries from the supplier without reservation, although we are aware of the existence of contradictory conditions drawn up by the supplier.
- All agreements made between us and the supplier regarding deliveries and services have to be documented, in writing, in the respective contract and any additions to it.
- These Conditions only apply to companies, legal persons under public law and public institutions as defined by § 310, paragraph 1, of German Civil Code.
- Offers and quotations made by the supplier are binding and have to be fulfilled.
- All orders have to be accompanied by our written confirmation. The content of such confirmations forms the explicit basis of the order. Any alterations or additions made to agreements have to be explicitly defined as such and have to be documented in writing in order to be valid. Verbal agreements will not be accepted. This also applies to alterations or additions made to the clause regarding the requirement of the written form itself, as well as to any verbal agreement made regarding the waiving the requirement of the written form. Verbal agreements only take effect once they have been documented in writing.
- The use of subcontractors requires our written authorisation in advance. The supplier has to impose all his contractual obligations onto all subcontractors and has to guarantee that these obligations will be upheld. The supplier carries full responsibility for any violations of these contractual obligations caused by the subcontractor.

§ 2 Orders

- Orders are only binding when they are made in accordance with our signed purchasing contracts and these Conditions. § 1 Nr 8 applies.
- In accordance with § 1 Nr 7, the supplier is bound by his offer for a period of 6 (six) weeks unless agreements have been made to the contrary. Delivery of the order by post suffices for the punctual acceptance within the agreed period. The offer also has to include any drawings, diagrams, measurements, weights and/or other performance/delivery times and conditions.
- Our orders are to be treated with the utmost confidentiality as far as third parties are concerned. Significant breaches of this or any of the following obligations gives us the right to cancel all orders, to demand compensation for failure to fulfil contractual duties, and to take all the measures necessary to protect our interests. The supplier is also responsible for ensuring that the regulations laid down in this paragraph are upheld when he, with our approval, passes the order on to third parties (subcontractors).

§ 3 Confirmation of orders

- The supplier is obliged to confirm our orders, whether written or otherwise, within 10 (ten) days from the day on which the order was placed. This confirmation has to be made in writing and has to contain the binding delivery and performance times. The date on which we receive the confirmation is the significant one when deciding whether confirmation of the order was made punctually or not.
- If the supplier's offer varies from the requirements laid out in our enquiry, or the order confirmation differs from our order, the supplier is obliged to highlight these differences clearly. In the latter case, the differences can only be said to have been accepted when we provide written confirmation of this acceptance.
- If we do not receive written confirmation of the whole order volume within 10 (ten) days, we are no longer bound by our order.

§ 4 Deliveries/Delivery times

- The supplier is obliged to deliver the goods to the agreed place in accordance with the laws and customs governing trade and with the due diligence and care expected of a prudent businessman. The supplier will make all deliveries to the agreed place at the agreed time and waives any right to withhold or exclude partial deliveries, unless this has been authorised by us, in writing, in advance.
- The supplier is obliged to inform us immediately, and in writing, of any delay in delivery or performance, providing us with information regarding the forecasted duration of the delay and the extent of the disruptive effects this delay may have. Our statutory rights are not affected by this notification. In all cases, the supplier has to wait for our decision before taking any further action.
- If the supplier does not deliver on time, we reserve all the legal rights to make claims available to us under the circumstances.

§ 5 Obligation to take delivery

- Acceptance of the goods is subject to the applicable legal regulations. When deliveries are taken by us, we reserve the right to check the amount, weight and composition at a later time and inform the supplier of any discrepancies.
- Any disruptions in operations caused by *force majeure* (unrest, fire, war, strike or lockout) release us from the obligation to take delivery for the duration of the disruption. Once the disruption is over, we will inform the supplier immediately when and in what sequence the deliveries can be restarted.
- We have the right to withdraw from the contract when a disruption in operation lasts for more than one month and we are not responsible for this event. The supplier is not allowed to use this as a basis to make claims for compensation.

§ 6 Transferral of risk

The risk for any deterioration or destruction of the goods does not pass to us until the goods have been successfully unloaded by the supplier or the transport company and we have taken delivery of the goods at our company or at a place designated by us. This also applies when our personnel or other persons designated by us help in the unloading process.

§ 7 Delivery/packaging

- Our transportation instructions have to be adhered to at all times, as do any general, legal, and branch-specific delivery guidelines. The supplier is responsible for any damage caused through lack of adherence to these instructions and guidelines.
- Each delivery is to be accompanied by a delivery note which clearly lists our order number, the usual descriptions, the type and composition of the goods or materials.
- Packaging materials must meet current environmental regulations and have to be collected in accordance with the applicable laws. If we do not intend to send any returns, the costs of collection of the said packaging must be borne by the supplier.
- Additional costs for packaging will only be refunded by us if this has been explicitly agreed in writing in advance. Our bank account has to be credited with the full cost of any packaging returned. The supplier bears full responsibility for all risks which arise during transportation up to the point when we receive and accept the goods at our delivery address or designated delivery point.
- Unless otherwise agreed, the supplier bears the full transport risk up until the point of delivery. The costs of transport insurance will only be borne by us in exceptional cases in which we have agreed to bear such risk in writing, in advance.

§ 8 Prices

- Unless otherwise agreed, the arranged prices refer to goods delivered to a named destination with the duty paid in line with the current version of the Incoterms. The agreed prices are fixed prices and apply to delivery to the place designated by us. Individual written agreements and the Conditions contained herein take precedence over the current version of the Incoterms.
- Price increases on continuous orders with fixed delivery times and/or prices are not permitted.

§ 9 Invoicing and payment

- Invoices always have to be issued in duplicate and must list the order number, the order confirmation number, the date of the delivery and the delivery note number, the customary description of the goods, our identification number, a breakdown according to amount, unit price, total price, discount and any additional costs, as well as a clear indication of the VAT rate and total VAT amount. If possible, invoices are to be grouped together to form a unit bill.
- Our offsetting and retention rights remain fully intact.
- Payment will be made non-cash either within 14 (fourteen) days with 3% (three percent) discount or 30 (thirty) days net following delivery/performance and receipt of the invoice in line with contractual requirements.

- The supplier requires our explicit authorisation in writing before transferring any claims against us arising from delivery contracts to third parties. Any transferrals made without our organisation are not valid and will not be recognised by us. Any third parties who are not part of the contractual relationship are not authorised to demand payment. The supplier's obligation to receive payment continues to exist even after he has received our explicit written permission to transfer the claims arising from the contract to third parties. If a number of individual persons have been designated by the supplier as contract parties, we have the right to make payment to any one of these individual persons and such payment will be recognised by all contract parties as having been settled.
- Any offsetting against our claims is only permitted in cases where the supplier's claim has been recognised and accepted by us or is legally justified.

§ 10 Obligation to make complaints/objections

- All goods we receive will be checked for visible discrepancies within the framework of our normal working procedures, usually in the form of random tests or, in cases where special arrangements have been made, within 8 (eight) working days.
- The delivered goods must correspond to the sample approved by us and meet the agreed quality standards. If this is not the case, we reserve the right to dispose of the goods and to demand a replacement delivery or compensation.
- Our obligation to check the goods for any visible deficiencies does not begin until we attempt to use or process the goods. However, this obligation has to be fulfilled within a 6 (six) month period following delivery. In the case of successive or partial deliveries, it is sufficient when an individual delivery is checked. In cases of transfer orders or cases in which the goods are sold on, our obligation to check the goods is cancelled. In such a case we will inform the supplier immediately about any complaints made by our customers. The periods in which examination and complaint have to be made are to be extended appropriately in such cases, especially when the longer transportation times are taken into consideration.
- If our random tests uncover deficient goods, we reserve the right to make a guarantee claim for the whole delivery.
- Complaints about deficiencies are said to have been made punctually when visible deficiencies are reported within 14 (fourteen) days following receipt of goods at the point of delivery, and when hidden deficiencies are reported immediately after they are discovered. The latter may be reported at any time until the guarantee period expires.
- If the supplier checks to see whether a deficiency is present, or undertakes to remove any deficiency with our approval, the limitation period is suspended for the duration of this activity.

§ 11 Guarantee

- The guarantee period begins when delivery is made and the goods have been properly received. This period lasts for 24 months. The limitation period of 24 months does not begin until any defects or deficiencies have been discovered. The statutory limitation period for our guarantee claims begins when the guarantee period expires.
- A guarantee claim can be made when the goods are faulty (as defined by law or by these Conditions) at the time when supplier is informed in accordance with § 10, unless the supplier can prove that the defect or deficiency was caused when the goods were located in our area of responsibility.
- If a deficiency in the product is discovered, we have the right to undertake any of the following measures at our discretion, irrespective of whether we intend to utilise or market the product or not:
 - To return the faulty goods at the supplier's risk and expense and to demand suitable replacement, or to recall payment of the invoice and to refuse to accept any replacement goods, or
 - In cases of urgency where we have informed the supplier of our intent to repair the fault ourselves or to have it repaired by third parties and have given him sufficient time to carry out such repairs himself, we reserve the right to repair the fault ourselves or to have it repaired by third parties at the supplier's expense.
- When making our guarantee or compensation claims, we are not required to prove that the damaged goods have been rendered useless.
- In cases in which faults are hidden, we have the right to demand reimbursement for the wage and material costs expended in producing the faulty goods, and to do so independently of any fault on the supplier's part.
- All costs incurred as a result of faulty products are to be borne by the supplier. Moreover, we reserve the right to make any legal claims at our discretion, especially claims for compensation.
- The supplier is responsible for ensuring that the goods ordered can be used or sold without violating any industrial property rights (patents, registered designs, trademarks, licences etc.), of any European country, particularly German industrial property rights or those of the country in which the supplier is based. The supplier is obliged to free us from any claims which arise from the violation of any industrial property rights. Furthermore, we reserve the right to withdraw from the contract in all such cases.
- When legal proceedings are initiated due to a violation of industrial property rights, the supplier is obliged to provide security covering the full amount of any potential damages which may be incurred.
- Moreover, the supplier must bear full responsibility for all court and incidental costs resulting from legal proceedings brought about due to a violation of industrial property rights when such costs are not disproportionate or have been deemed unnecessary.
- If claims are made against us due to the violation of official safety regulations, domestic or foreign product liability regulations or laws, or because of a fault in our product caused by materials provided by the supplier, we reserve the right to demand compensation from the supplier for the damage without the supplier being able to call on the plea of the statute of limitations.
- This damage also includes the costs of a precautionary recall action.
- The supplier is obliged to carry out quality control measures with the highest standard of technology available and to ensure that these quality controls are suitable for the type and amount of the product being tested. Proof that such quality controls have been carried out has to be provided to us on request.
- Furthermore, the supplier has to insure himself adequately against all risks connected with product liability, including those of a recall action. Proof of such insurance has to be produced upon request.

§ 12 Miscellaneous

- The contract is based on German law. The provisions contained in the UN Law on the International Sale of Goods which refer to the obligation to check goods, make complaints, and all regulations regarding the place of performance, are excluded. The provisions set out in Articles 61 to 65 are also excluded. These are replaced by the corresponding provisions of German Civil Code and the German Commercial Code.
- The place of performance for all payment obligations is the legal domicile of our company. This also applies to cheques and bills payable.
- It is hereby agreed that the local and international jurisdiction for all contractual and non-contractual disputes arising from the interpretation or implementation of this contract with our supplier will be that of the court responsible for the area in which our company is located. This jurisdiction takes precedence over all other jurisdictions which are required by law as the result of any personal situation or the given circumstances. The Supplier does not have the right to make legal counterclaims in a court of law other than in the one responsible for the area in which our company is located. However, we reserve the right to make individual claims against the supplier in his own jurisdiction or in other responsible courts as the result of domestic or foreign law.
- With regard to contract partners whose legal domicile is located in foreign countries, it is hereby agreed that we have the right, without prejudice to point Nr 3 (above), to either call on the court responsible for the legal domicile of our contract partner or to call on the court responsible for our company's legal domicile, or, if proceedings in a court of law are not allowed, to request that proceedings be initiated in a tribunal at the International Chamber of Commerce in Paris in order to deal with all claims arising from the business relationship. The location of any such proceedings is the legal domicile of our company.
- Without waiving further legal rights, we hereby reserve the right to withdraw from the contract without substitution when the supplier applies for insolvency, or when the supplier does not fulfil his obligations to us or to third parties and does not provide a justifiable explanation.
- We are authorised to transfer the rights and duties arising from this business relationship to affiliated companies as defined by §§ 15 ff. of Company Law, in which we have at least a 50% holding. The concept "affiliated company" also includes those companies which belong to companies in which we have a majority holding, whether directly or indirectly - i.e. daughter, sister or parent companies.
- If any of the individual provisions set out in these Conditions, or any of the individual provisions set out in any other agreement, be or become incomplete, invalid or inapplicable, either wholly or in part, the validity of the other provisions remains intact.
- The contract parties are obliged to replace any incomplete, invalid or inapplicable provisions contained in these Conditions with provisions that come as close to the intended economic purpose and original meaning as possible. The replacement provisions have to take the form which would have been agreed upon by the contract parties in the beginning had they been aware of the incompleteness, invalidity or inapplicability of the said Conditions or other agreements.
- If complete, valid, and applicable provisions are not (or cannot be) agreed upon, the legal regulations apply.

Note on § 33 of the German Federal Data Protection Act (BDSG): We hereby declare that personal data on our supplier and business partnerships will be held and processed electronically. Both federal and state laws regarding data protection will be adhered to.