

**1. Validity**

1.1. The following purchase conditions apply exclusively to all contracts issued by us. Orders and concluded contracts – in the following named “order” – via the purchase of goods and provision of work and services – in the following named “deliveries” –. We herewith expressly controvert any deviations or additions to these purchase conditions by our suppliers, they are not binding for us. Our purchase conditions are equally exclusively binding if we do not controvert inclusion of the conditions of our suppliers in individual cases, or in the knowledge of deviating or additional business conditions of the supplier, nevertheless accept their delivery without reservation.

1.2. These purchase conditions also apply to all future business conducted with the supplier even if not repeatedly specifically agreed.

1.3. The ineffectiveness or unfeasibility of individual conditions within these purchase conditions does not effect the validity of the other conditions. In this case ineffective or unfeasible conditions are replaced by such legally permitted regulations, as are closest to the economic purpose intended by the ineffective or unfeasible conditions.

**2. Contract Conclusion**

2.1. All agreements made between the suppliers and ourselves and all orders are only binding for us, if they have been recorded in writing. In addition every change, addition or subsidiary agreements before or after conclusion of the contract, required our written confirmation. Renunciation of the written form can only be made in writing. The written form is equal in value to a transmission of information by telephone, E-Mail or a data transfer.

2.2. If the supplier does not accept our order in writing within a time limit of 2 weeks after receipt, we are entitled to cancel it. Delivery schedules become binding, if the supplier does not cancel within three (3) working days from receipt. Amendments, additions or other deviations from our orders are only effective, if these are expressly and especially pointed out to us and we expressly agree to them.

**3. Price and Payment Conditions**

3.1. The prices named in the order are fixed prices. The prices include delivery “carriage paid” as well as all packaging, transport, insurance and all other costs of delivery, unless anything other has been expressly agreed beforehand in writing. The legal purchase tax must be shown, otherwise it is deemed to be included in the price.

3.2. If the supplier has taken on the installation, assembly and/or operation, and nothing else has been agreed in writing, then the supplier is responsible for all additional costs, such as travel expenses and provision of tools.

3.3. We can only process invoices if they are sent to us by separate post. Every order has to be invoiced separately. The order number given in our order, the order date, the supply number and our item number must be included in clear bold type.

3.4. Invoices are to be made out in EUROS. Payments are made exclusively in EUROS.

3.5. We have the option of making payment by transfer or cheque, respectively bill of exchange, after acceptance of the delivery and receipt of an auditable invoice and transferral to us all the documentation with regard to the delivery. As long as nothing else has been expressly agreed in writing, we pay either within 14 days with a discount of 3% or within 30 days in full.

3.6. The supplier is not entitled to assign his claims against us either in full or in part or to avail himself of them in another way without our prior written agreement.

3.7. We are entitled to setoffs and rights of retention to the accepted legal extent.

**4. Delivery Dates and Delivery Conditions**

4.1. The dates mentioned in the order or otherwise agreed are binding and must be adhered to exactly. The supplier must inform us immediately in writing of any looming delay or any overrun over the agreed dates and deadlines, with provision of the reasons and the envisaged duration.

4.2. Part deliveries and early deliveries are only permissible if we have expressly agreed to them. The payments will however only become due at the earliest on the originally agreed delivery date.

4.3. Insofar as nothing else has been agreed, besides the delivery slip the delivery must be accompanied by a certificate of compliance pursuant to EN 10204 or a comparable internationally recognised test certificate, in which the key data arranged with the supplier is noted. First deliveries must be accompanied by an initial sample audit report.

4.4. Deliveries are only possible within the arranged times.

4.5. If there is a delay in delivery we are entitled to claim a penalty for breach of contract of 1% for every started week, to a maximum of 10%, however, of the value of the order; whereby the supplier has the right to demonstrate to us that no, or only a very small degree of, loss has occurred. The right of enforcement of a further loss remains reserved. We are obliged to declare the enforcement of the penalty by latest on payment of the invoice, which takes place in keeping with the delayed delivery.

4.6. Events of major force that make delivery by our supplier or acceptance or utilisation of the delivery in our operation or that of our clients impossible, or make it much more difficult, put back our obligations to accept a delivery according to our actual requirements. In cases of major force for our part or at our suppliers we are also entitled to opt for cancelling the contract, either entirely or in part.

**5. Place of Fulfilment, Transfer of Risk, Acquisition of Property**

5.1. The place of fulfilment is the place according to the order, to which the goods are to be delivered, or the works or services are to be carried out. The place of fulfilment for our payments is our business location.

5.2. The delivery must be made to the address specified by us, respectively services carried out there, on account and risk of the supplier, in orderly packaging for transport free to place of delivery to the address specified by us, respectively services carried out there. The risk of accidental loss or accidental degradation of the delivery will only transfer to us, even if we have declared ourselves willing to pay the freight costs, at the time of acceptance by us or by a carrier contracted by us, at the agreed place of delivery, or at the time of the final acceptance of the delivery, depending on which is the later date.

5.3. With the transfer of the risk at the place of fulfilment or the delivery to a carrier contracted especially for the purpose by us, we acquire ownership of the goods unconditionally of any rights of the supplier.

**6. Liability for Defects and other Liability**

6.1. We check the delivered goods on basis of the accompanying paperwork only in respect of identity and volume and for externally visible transport damage. Defects in the delivery will be reported to the supplier within an appropriate time period of at least 5 working days following ascertainment, in accordance with our orderly business procedures. In this respect the supplier has no right of objection with regard to the delayed notice of defects (§ 377 HGB).

6.2. Insofar as nothing else has been regulated for this numbered point, the supplier is liable, according to the legal provisions, especially for defects in the delivery, without this liability being limited or excluded, either in reason or amount, and we are thereby exempted from any claims from third parties.

6.3. In principle, we hold the right to select supplementary delivery. The supplier may deny us the selected type of supplementary delivery under the conditions of the § 439 Abs. 3 BGB.

6.4. Should the supplier, following our demand, not immediately commence to rectify the defects, then in urgent cases, especially to prevent acute risks or avoid larger defects, we hold the right to rectify the ascertained defects ourselves for cost of the supplier, or contract third parties to rectify them, without the necessity of setting a prior period of grace.

6.5. Claims for material defects become time-barred, insofar as nothing else has been agreed, or the legal regulations earmark longer deadlines, 24 months following purchase of the end product by the user, but maximally 30 months following delivery to us. With regard to work services the time bar amounts to 30 months from written final acceptance. Should the delivery have been used for a building in accordance with its normal usage, and has proved

to be the cause of the deficiency, then the time bar falls only after 5 years. Our rights pursuant to §§ 478, 479 BGB remain unaffected by this regulation.

6.6. With regard to deficiency in title, the supplier furthermore exempts us from possible claims from third parties. A time-bar period of 10 years applies in respect of deficiency in title.

#### **7. Product Liability**

7.1. The supplier exempts us from claims of any kind from third parties as a result of, and in connection with, personal and material damages, if and as long as the reason for this lies within the domain and organisational area of the supplier. Within this framework our supplier is also obliged to refund us all expenses pursuant to §§ 683, 670, which arise as a result of, or in connection with, a recall action or other steps taken by us.

7.2. The supplier has a liability to maintain an extended product liability and recall cost insurance cover sum of at least EUR 1.000.000,00 (EUR 1 Million) in each case for personal damage and material defects, however, our claims are not limited to the amount of this cover sum.

#### **8. Observance of Industrial Property Rights and Regulations**

8.1. The supplier assures that his delivery and its use neither violate industrial rights nor any other rights of third parties, nor breach legal or administrative regulations of any type. The supplier furthermore assures that the goods he delivers do not contain any FCKW, PCB or asbestos. The supplier is obliged to provide us with all the relevant IMDS-data free of charge if requested by us.

8.2. The supplier is obliged to exempt us from all claims, that third parties may make on us for reasons of, or in connection with, the delivery or its use. Number 6.6. Section 2 applies.

8.3. The supplier's obligation to exempt extends to all expenses that result from, or in connection with, a third party claim.

#### **9. Retention of Title, Tools**

9.1. We reserve ownership of the goods provided to us (e.g. parts, components, half-finished products).

9.2. The reserved ownership also extends to the manufactured goods resulting from processing, mixing or assembly, to their full value. Hereby the procedures are carried out for us, and we are thus considered to be the owners. If the processing, mixing or assembly with goods of third parties who have reserved ownership, we will acquire co-ownership with relation to the objective value of these goods.

9.3. Tools made available to the supplier and tools produced by the supplier under contract from us, or tools ordered from third parties, to which we have made a contributory payment, remain our property, respectively become our property upon production' respectively purchase by the supplier and they must be clearly earmarked as our property.

9.4. The supplier is obliged to store tools for us free of charge, to adequately insure them and show us the insurance cover note if requested. The supplier is obliged to use the tools exclusively for production of parts for us, where nothing else has been agreed.

9.5. The supplier must maintain and service the supplied tools at his own cost. At the end of the contract the supplier must immediately release the tools to us upon demand, without having any right of retention. When releasing the tools, these must be in the same condition, both technically and optically without defect, that they were for the purpose of their previous use. Costs of maintenance are borne by the supplier. The supplier may not under any circumstance scrap the tools without our prior written agreement.

#### **10. Quality Assurance**

10.1. The supplier is committed to maintain a quality management system DIN EN ISO 9000 ff., for the whole period of the business relationship, which must assure us of the acceptable quality of the supplier. Internal auditors must monitor this at regular intervals and, should any deviations be discovered, the necessary measures undertaken immediately. We have the right to check the quality assurance of the supplier at any time following prior announcement. Upon request the supplier must permit us to inspect certification and audit reports, as well as audit procedures carried out, including all the inspection and test records and documentation with regard to the delivery.

#### **11. Confidentiality, Documentation**

11.1. All information, formulations, drawings, models, tools, technical drawings, procedures, software or other technical and commercial know-how made available to the supplier, or learnt by the supplier through us, as well as results achieved thereby (in the following referred to as "confidential information") are to be kept secret by the supplier from third parties. In the supplier's own operations they may be used exclusively for the carrying-out of deliveries to us and only be made available to such persons who must have knowledge of the confidential information in the framework of the business relationship. These persons, for their part, are equally sworn to secrecy in accordance with this regulation. This also applies for the duration of the business relationship, as long as, and inasmuch as, the supplier cannot prove that the confidential information, at the time of accessing it, was already known to him, or it was manifest or later became manifest without his being at fault.

11.2. All documentation (e.g. drawings, illustrations, test instructions, samples and models etc., that we have made available to the supplier during the course of the business relationship, remains in our ownership and at any time, upon demand from us, but by latest at the end of the business relationship, must be provided to us according to our choice, (including any copies, transcripts, extracts and reproductions), or must be scrapped for cost of the supplier. In this regard the supplier has no right of retention.

11.3. The publication of confidential information and any transfer of documents, patterns or models does not afford the supplier any industrial property rights, know-how or owner rights, and neither represents any publication nor rights resulting from prior use in the sense of the Patent and Utility Models Act.

#### **12. Legal Choice and Place of the Court**

12.1. Exclusively the right of the Federal Republic of Germany applies, to the exclusion of its international private law, inasmuch as it indicates the validity of another legal system. The application of the uniform UN-purchase right (C.I.S.G.) and other bilateral and multilateral agreements serving the unification of international purchasing is excluded.

12.2. The place of the court for all claims arising from business relationships with suppliers, especially with regard to contracts or their validity, is Dietenheim. We are, however, entitled to select to sue the supplier at any other general or special place of court.

12.3. If the supplier is located outside of the Federal Republic of Germany, we are further entitled, if we so wish, to have all claims, conflicts or differences of opinion with regard to business relationships with suppliers, under exclusion of the straight legal process, and pursuant to the rules of arbitration of the Zürich Chamber of Commerce, decided by one or three arbitrators, in accordance with these rules. The arbitrator is located in Zürich/Switzerland. The arbitration proceedings will be held in the English language. The findings of the arbitrator are final and binding for all parties concerned.