

1. General

Our purchase conditions shall apply exclusively. Any conditions of the Supplier which are contrary to or different from our purchase conditions shall not be valid unless they have been expressly acknowledged by us in writing.

Our purchase conditions shall also apply without the need for express agreement to all future transactions with the Supplier.

Our purchase conditions shall also apply in all cases wherein we accept goods or services of the Supplier (hereinafter: subject matter of the contract) or their payment without objecting to the Supplier's purchase conditions that deviate from our purchase conditions.

2. Contract Conclusion and Contract Amendments

2.1 Orders, contract conclusions and call-offs as well as changes and amendments need to be agreed in writing.

2.2 Verbal arrangements of every kind – including additional changes and amendments to our purchase conditions and additional agreements - need our written acknowledgement to become effective. Verbal agreements or verbal assurances of our employees shall not be binding upon us.

2.3 The written form shall also be deemed to have been observed if being sent by remote data transmission or fax.

2.4 Quotations shall be binding and not to be compensated, unless otherwise expressly acknowledged in written.

2.5 We keep ourselves engaged to our written orders two weeks from order date. The order confirmations that we receive after the end of this period are valid as a new proposal which needs our written acceptance.

2.6 Call-offs within the scope of an order planning and call-off planning become binding if the Supplier does not object within two working days upon receipt.

3. Delivery

3.1 The contract will be concluded upon receipt of the Supplier's written order confirmation or upon delivery acceptance by us. The Supplier shall expressly point out any cases wherein an order confirmation from the Supplier differs from the order placed by us. A contract will be concluded by our written acceptance only.

3.2 Place of fulfilment is the reception place specified by us. The dispatch is at the Supplier's risk. In case of delivery "free domicile" to the reception place specified by us, the Supplier shall cover the transport insurance as free of charge for us. Agreed dates and periods are binding. Any specified delivery periods commence from the date of the purchase order. Compliance with the delivery period shall be determined by the date of receipt of the products at the so-called reception place specified by us.

- If a "free domicile" delivery to the so-called reception place is not agreed, the Supplier must provide the product on time taking into account the usual times for load and dispatch. In case of call-offs, the delivery dates are binding as per the same principles if the Supplier does not object immediately.
- 3.3 If the Supplier has taken over the installation or the mounting and if nothing agreed otherwise, under reserve of deviant regulations, the Supplier must cover all necessary additional costs such as travel expenses, provision of the tools as well as releases.
- 3.4 In the event of a delay on part of the Supplier, if agreed terms are not kept, the legal regulations shall apply. Should the Supplier discover any delays concerning manufacture, feedstock base, the compliance with the delivery date or with the agreed quality, the Supplier must notify immediately our ordering department.
In case of a delayed delivery, we are entitled to withdraw from the contract or to demand compensation instead of performance after a reasonable deadline has been set without result. Any contractual penalty shall be credited against any asserted claims for compensation. We are entitled to demand as contractual penalty for each commenced week of the delay in delivery caused by the Supplier 1.0%, but no more than a total of 10% of the whole purchase order price.
- 3.5 The unconditional acceptance of the late delivery or performance does not imply a waiver of claims for compensation which due to us because of the late delivery or performance; this shall apply up to the entire payment of the remuneration owed by us for the affected delivery or service.
- 3.6 Generally, partial deliveries are not acceptable unless we have expressly agreed to them, or they are reasonable to us.
- 3.7 Under reserve of another proof to be provided, quantities, weights and measures taken by us upon incoming goods inspection shall apply.
Excess deliveries not agreed with us will entitle us to either accept the additionally delivered goods with corresponding valuation of the invoices, or to store them at the expenses of the Supplier until their collection by the Supplier, or to send them back at his expense.
- 3.8 An extended and expanded reservation of title on the part of the Supplier is excluded, in particular the goods reserved until complete payment of all demands of the whole business deal.
- 3.9 We are entitled to use software and its documentation which is included in a product delivery to the legally allowed extent (§§69a ff. German Copyright Act).
- 3.10 We are also entitled to use the agreed software and documentation performance features and to an extent necessary for a stipulated use. We are also entitled to make backups without approval.

4. Force Majeur

- 4.1 Force majeure such as war, transport or operational disruptions, currency or exchange rate hindrances or other obstruction of delivery beyond our control, shall release us from our obligation to timely acceptance of delivery for the duration of its presentation. Regardless of our further rights, during such events as well as within two weeks after their end, we are entitled to withdraw completely or partly from the contract as far as these events are of considerable duration and our demand will minimise because the goods were procured from other places.
- 4.2 The regulations stipulated in clause 4.1 shall also apply in the case of industrial actions.

5. Dispatch Notes and Invoice

The specifications as of our purchase orders and call-offs shall apply. The invoice is to be sent as a single copy under specification of the invoice number and other assignment signs to the address printed in each case; it must not be added to the consignments.

6. Pricing and Transfer of Risk

If no special arrangement is met, the prices shall refer to as delivered to named place (DAP Incoterms 2010) including packaging and excluding VAT. The Supplier carries the material risk until the acceptance of the product by us or our representatives at the place to which the product is to be delivered as ordered.

7. Terms of Payment

- 7.1 The payment will be done within 30 days net without special agreement. The payment period commences upon product delivery as agreed including proper delivery notes and invoices.
- 7.2 The Supplier can resign from his claims or assign them to a third party only with our previously given approval in writing.
- 7.3 The payment date does not affect warranty given by the Supplier or the right to complain. In case of a faulty delivery, we are entitled to retain payment equivalent to value until proper fulfilment.

8. Notice of Defects and Recourse

- 8.1 The liability for investigation and shortage rebuke commences in all cases once the delivery has reached its destination place as stated in the order, and the proper documents (in particular, dispatch note and delivery note) are present. We are entitled to claim defects within 14 working days upon receipt of the product, and in case of hidden defects, within 14 working days after discovery of the defect.

8.2 Unless otherwise agreed, the warranty period ends once 2 years have expired at the earliest from the delivery date of the ordered product on. The limitation of warranty claims shall be restrained from the date of notice of defect on and shall continue only after warranty has expressly disclaimed, or negotiations have been discontinued.

The warranty period shall be extended by its duration in case of a supplementary performance.

8.3 We are generally entitled to choose the way of supplementary performance. The Supplier shall not be entitled to reject the type of the supplementary performance required by us. If a rectification or replacement fails, or if such work represents an unreasonable burden on us, or if the same product is delivered with defects again, we shall be entitled to reduce the purchase price or to withdraw from the contract. This shall also apply to the not yet performed extent of delivery.

8.4 Should the Supplier not make an immediate start upon our request for remedial work, then, in urgent cases, in particular to avert acute dangers or to avoid substantial damages, we shall be entitled to remedy the defects itself, or have them remedied by a third party at the Supplier's expense.

8.5 The Supplier shall indemnify us against any third party claims regarding product liability providing the Supplier would itself be liable. This shall also apply to strict liability such as per the German Product Liability Law. The Supplier must maintain sufficient liability insurance for such exemption.

8.6 Except in cases of fraudulent intent, defect claims shall be subject to a limitation period of 3 years providing the item is used according to its intended purpose for a building or has caused the defect. The limitation period shall commence with the delivery of the contract object (Transfer of Risk).

8.7 If a replacement by the Supplier has been agreed as supplementary performance, the limitation period shall commence anew upon its delivery to us providing the Supplier has expressly reserved the right to replace for goodwill, to avoid disputes or in the interest of future business relations only.

8.8 In case wherein costs incur to us due to a defective delivery of the contract object, in particular transportation costs, travel expenses, labor, fitting and removal costs, or costs for an incoming goods inspection over and beyond the normal scope, the Supplier shall bear all these costs.

8.9 Once we have announced to the Supplier that we purchase the product for export, the place of fulfillment shall be the destination of delivery stipulated by us for this export transaction, and we shall be entitled to take over the product and transfer it without inspection. All inspection and complaint periods commence only with the time at which the foreign Buyer has the possibility to inspect, with unloading at the destination place at the earliest.

9. Quality Assurance

In each case the delivered product must comply with the respective domestic and foreign legal regulations as well as with the qualities given in the order and quality requirements.

The Supplier shall advise us on any limitation on use for the delivered product in writing. The same shall apply to any declaration for finished goods which are produced with the delivered product.

10. Product Liability

10.1 If claims of product liability are made against us the Supplier shall indemnify us against such claims providing the damage had been caused by a fault of the product delivered by the Supplier. In case of strict liability this shall apply only on condition that the Supplier would itself be liable. In case wherein the Supplier has caused a product fault the Supplier must prove that the fault does not fall within the Supplier's area of responsibility.

10.2 The obligations of the according to clause 9.1 shall include the payment of all costs occurred to us including the costs in connection with the defense of product liability claims.

10.3 For the rest statutory provisions apply.

11. Rights of Withdrawal and Termination

11.1 According to legal rights of withdrawal and beyond, we shall be entitled to withdraw from or terminate the contract with immediate effect, if:

- the Supplier has stopped the delivery to his customers,
- an essential deterioration of the Supplier's financial situation occurs or is likely to occur and causes that the fulfilment of his obligation to deliver is in jeopardy,
- the Supplier becomes insolvent or over-indebted,
- the Supplier stops his payments.

11.2 We shall also be entitled to withdraw from or terminate the contract if the Supplier has made an application to open insolvency proceedings or similar proceedings for settlement of his.

11.3 If the Supplier has rendered a partial service, we shall be entitled to the termination of the whole contract only on condition that we share no interest in it.

11.4 Provided the case that we withdraw on account of the preceding contractual rights of withdrawal or rights to cancel or to terminate the contract the Supplier has to compensate us for the damage thus incurred unless the cause of the withdrawal and termination rights is not in his area of responsibility.

11.5 Legal rights and claims shall not be limited by regulations as of clause 10.

12. Provision of Material

Materials, parts, containers and special packaging remain our property. They are only to be used for their intended purpose. The use of the materials provided by us and the assembly of parts shall be for us.

13. Documents and Confidentiality

13.1 a) All business or technical information made accessible by us (including features or properties of objects handed over, or documents or software or other knowledge or experiences) shall not be disclosed to a third party and shall only be made available to persons of the Supplier's organization being obliged to secrecy and who are required for the purpose of the delivery to us. This information remains our property. The above obligations shall not apply to such confidential documents and information as the Supplier can prove that they were already generally known or accessible. The copying and the commercial use of confidential information or documents are only permissible with our prior written consent unless they are intended for a delivery to us. Upon our request the confidential information made accessibly by us (if necessary, copies or records included) or objects provided on loan shall be returned to us immediately or to be destroyed.

b) We reserved to us all rights in such information (including copyrights and the right to the registration of industrial property rights, like patents, utility models, German semi-conductor protection Law, etc.). In so far as they were made accessible to a third party by us, this legal reservation shall also apply in favour of the third party.

13.2 Products which are sketched by us, such as drawings, models, or similar, or which are made according to our specifications or by using our tools or copied tools, may neither be used nor offered by the Supplier to a third party, nor be delivered to third one. This also shall basically apply for our print orders.

14. Export Control and Customs

The Supplier shall inform us about any obligations to obtain permits for (re-) exports of his goods according to German, European, US export and customs regulations as well as the export and customs regulations of the country of origin of his goods in his business documents. In so doing, the Supplier states the following information at least in his quotations, order confirmations and invoices for the concerning goods positions:

- the export list number according to Annex AL to the German Foreign Trade Ordinance (AWV) or comparable list positions of appropriate export lists,
- in case of US goods, the ECCN (Export Control Classification Number) according to the US Export Administration of Regulations (EAR),
- the origin and the components of his goods in respect of trade policy, including technology and software,
- whether the goods are transferred through the USA, produced or stored in the USA, or were manufactured by using US-American technology,
- the statistical goods number (HS code) of his goods, as well as
- a contact person within his organization that we can contact for clarification or any further inquiries.

Upon our request the Supplier shall inform us about all other foreign trade data of his goods and their components in writing as well as to inform us immediately (prior to the delivery of affected goods) about all changes of the preceding dates in writing.

15. Compliance

The Supplier shall comply with all statutory provisions in respect of the contact with employees, environmental protection and work safety.

16. Place of Delivery

Place of delivery is that place to which the product is to be delivered as ordered or to be produced.

17. General Provisions

17.1 If one of the above provisions is or becomes invalid, the legal validity of the remaining provisions shall not be affected. In place of the invalid provision, the contract parties shall agree on a provision which comes as close as possible in legal terms to the original meaning and purpose of the invalid provision.

17.2 The law of the Federal Republic of Germany shall exclusively apply to all contractual relationships.

17.3 The place of jurisdiction for all disputes which may arise directly or immediately from contractual relationships which these purchase conditions are based on is Stuttgart (Germany). Proceedings before the local courts shall be handled by the local court of Stuttgart (70190 Stuttgart/Germany). Furthermore, we are entitled to take action against the Supplier in the court of his own place of business or his subsidiary, or in the court of jurisdiction of the Place of Delivery.

18. Priority Clause

18.1 In case of discrepancies between the German and the English text, the German text shall take priority.