

GENERAL PURCHASE CONDITIONS

Towards businesspeople

1. Offer: The following terms and conditions are valid for all our orders, if not otherwise something else is agreed in writing. Supplier's terms and conditions are valid only, as far as we agree to them in writing.

2. Order: Only orders given in writing by us are legally binding. Orally or by telephone given orders need our written confirmation to become effective. We do not accept terms and conditions on order acceptance or order forms of the supplier. With the acceptance of our order the supplier explicitly renounces the terms and conditions set by him and accept our purchase terms and conditions as solely legally binding. From our part it needs an explicit contradiction in no case. By these conditions deviant additional agreements are confirmed from us explicitly in writing and are valid only for the given contract. The supplier has to confirm our order within five working days. If the acceptance of order is not present with us within 14 days after order date, we are entitled to cancel the order, without the supplier's right to derive claims out of it. The supplier has checked all technical details corresponding to the order for completeness and has accepted them.

3. Prices: The prices are fixed prices and are, if nothing else is agreed, free domicile consignee including packaging. Price rises after order are not accepted by us in any case.

4. QA-Agreement: The Quality of the delivery must be proven at least by a 2.1 certificate in compliance acc. to EN 10204. Only calibrated measuring equipment should be used for measurements.

5. Delivery time, delay of delivery: Agreed delivery deadlines and delivery dates are binding. The delivery deadline is observed if the object of delivery has left the manufacturer's factory up to its expiry, or the dispatch readiness is announced. As far as an acceptance has to follow, the purchase date – except by justified acceptance refusal – is prevailing.

If the dispatch or the acceptance of the object of delivery is delayed, for reasons which can be attributed to us, then starting two months after announcement of the acceptance readiness, expenses caused verifiable by the delay, are compensated.

We need to be informed immediately in writing of any delays of delivery under indication of reasons and the estimated duration of the delay.

If the agreed delivery date is not met, we are authorised to demand a contractual penalty beside the fulfilment within the scope of §340 paragraph 2 Civil Code. It amounts 1% on the whole contractual value for every beginning week of delay, but not exceeding 5% of the whole contractual value of the delivery. The contractual penalty can be claimed without a reason up to the due date of the final payment, according to §341 paragraph 3 Civil Code, §11 paragraph 4 VOB/B. Further claims for default damages will remain unaffected.

If the non-compliance of the delivery time is justified upon force majeure, the delivery time is appropriately extended. The supplier has to indicate such a fact immediately and prove it by the ICC.

If the agreed delivery date is not met, we are entitled, after unsuccessful expiry of an adequate extension by us, to cancel the contract, but still being entitled to claim the afore said penalties.

Part deliveries are only allowed with our explicit written approval.

In case of discontinuation of an order the supplier has to stop all works immediately, to store the objects of delivery and to protect them against thievery. Within 5 working days the supplier has to indicate the additional costs and delivery date implications to us.

We can withdraw from the contract without fixing a time limit if the whole performance becomes finally impossible for the supplier. In addition, we can withdraw from the contract if the execution of a part of the delivery becomes impossible and we have a legitimate interest in the refusal of the part delivery. The same is valid with incapacity of the supplier.

In the case of withdrawing from the contract because of incapacity of the supplier, the supplier supports us in the continuation of the order and transmits to us all necessary dates and supplier's information. The additional costs which occur to us from the contract cancellation have to be born by the supplier.

6. Dispatch: The delivery has, provided that it is not agreed differently in writing, to follow free domicile. Goods deliveries may follow only in the normal everyday working hours from Monday till Friday from 9.00 a.m. to 3.00 p.m. The transportation risk is in all cases to be born by the supplier. In all shipping documents our order subscription and number of pieces have to be stated. Further a detailed delivery note with above mentioned signs has to be added to every consignment. The supplier bears the risk of a delay in delivery, if the above mentioned signs are missing and the handing over cannot be executed on time. Should none post paid delivery be agreed, we receive except the delivery note a shipping note duplicate. Basically the dispatch mode most favourable for us is to be chosen. If the supplier has to choose a more expensive dispatch mode to avoid a delay of delivery, we do not carry the cargo additional costs.

7. Passing of risk: The risk transfers to us, if the delivery is forwarded properly and handed over at the stated address of delivery.

8. Material defects and defects of title: The supplier has to get – regardless of an assumed guarantee if applicable – the object to deliver free from material defects and defects of title. He is liable for the fact that the product has the agreed state with the delivery and corresponds to the latest state of art of technology, as well as the laws, protection and accident prevention regulations as well as the usual technical standards (e.g., DIN, VDE) at the reception place. The liability of the supplier also applies to the parts produced by subcontractors.

We are entitled to carry out quality inspections in the plant of the supplier and its subcontractors by ourselves, or to let them carry out by third parties. The carried out quality inspections do not relieve the supplier from the responsibility for the order-compliant production of the product. The guarantee period is 24 months from the delivery date.

The supplier is liable for material defects within the scope of the following regulations regardless of culpability. If the object of delivery shows defects, we can require subsequent performance or decrease. The subsequent performance is according to our choice through shortage removal or spare delivery at the installation place. The supplier bears the costs for this. If the supplier has undertaken an ineffective subsequent performance attempt or refuses subsequent performance unjustified, or an adequate extension period passed by without result, we can remove the defect ourselves or get it removed by a third party. The necessary expenditures for any action are to be born by the supplier. The legal right of order cancellation, the right on damage compensation, in particular also damage compensation instead of the performance itself, and the right of recourse according to §§478 following Civil Code are reserved.

For replaced parts the period of guarantee begins anew. If more than 10% of the product of a delivery show defects, we are entitled to reject the whole delivery without checking of the remaining product at the expenses of the supplier. Acceptance and payment of the product by us does not mean that we recognise the product as free of defects.

The supplier is liable for defects of title regardless of culpability.

9. Invoices: Invoices may be in no case added to the consignment. In the invoice all order dates are to be stated. Partly invoices are only possible if corresponding part delivery was agreed.

10. Terms of payment: As far as contrary arrangements are not made, the payment of the invoices of the supplier is executed as follows:

30 days net or

14 days under deduction of 3% of cash discount.

If partial payment is agreed, then for all partial amounts, which are performed before the delivery, the supplier has to submit short-term absolute bank guarantees due on first request. If warranty bonds are agreed, these also are to be submitted as directly liable bank guarantees due on first request and limited on six (6) months after expiration of the guarantee period.

11. Industrial property rights: The supplier is liable for the fact that no industrial property rights or other rights of third parties are violated by the use of the delivered product. He releases us and our customers from all claims arising from it and refunds us all necessary expenditure originating from possible claims. In samples, models, pictures, drawings, calculations or other documents and files which we make available to the supplier we reserve ourselves the property rights, commercial trade mark rights and copyrights. They are to be protected by strict secrecy and may be not laid open to third parties without our explicit written approval. They may not be used for own or others purposes and are to be sent back to us after execution of the order free of charge.

12. Product liability: Provided that the supplier is responsible for product damage, he is obliged to release us in this respect from damages claims of third parties on the first written request, when the cause is put in his territory and organisation area and he is liable in the outside relation himself. As far as because of such a product damage recall measures are required, the supplier is obliged to compensate for the necessary expenditures. Other claims from our side remain untouched.

13. Retention of title: Retentions of title of the supplier for which reason ever, are not accepted by us.

14. Place of delivery and jurisdiction: Place of delivery and jurisdiction is Waldenburg / Saxony / Germany.

15. Applicable law: It applies German law under exclusion of the UN – Sale of goods rights (CISG).

16. Effectiveness: Every regulation of these purchase conditions is valid for itself alone (§139 Civil Code). In case, that one of the paragraphs or conditions is void, all others remain effective.