

Purchase Conditions

§ 1 Formal Contract

- Orders of the purchaser are rendered wholly on the basis of the following General Purchasing Conditions. Other conditions, such as sales and delivery conditions of the supplier do not form part of the contract content, even if the purchaser does not expressly object to them. These General Purchasing Conditions also apply to all subsequent orders or contractual privity between suppliers and the purchaser.
- The purchaser may rescind the order, if receipt of the order of the purchaser has not been confirmed in writing within 5 working days.
- Orders must be issued in writing to become binding. Orders agreed to orally or by telephone require subsequent confirmation in writing in the form of a commercial confirmation to become valid. Orally agreed supplementary agreements or contract alterations or amendments must also be confirmed in writing.
- The supplier's offer must adhere in quantity, composition, and execution, as requested by the purchaser or confirmed orders, tender and supplied drawings. The supplier must notify us in writing of any variation either presently existing or planned in the future. Variations require the written consent of the purchaser.

§ 2 Prices, Despatch, Packaging

- The agreed prices are fixed and are not subject to further demands. Costs for packaging and transport, as well as customs formalities and import duties are included in the prices. If the supplier's costs change by more than 10% without being predicted by either party, either party is entitled to seek the renegotiations of agreed prices. The purchaser is not obliged to accept changed or increased prices unless the prerequisite shortfall of the basis of the contract applies (§ 313a BGB (Federal Civil Code)).
- Despatch notes, consignment notes, invoices and all correspondence must include the order number of the purchaser.
- The delivery costs to the freely agreed point of delivery are born by the supplier.
- Return obligations for packaging are governed by the legal requirements.

§ 3 Invoices and Payment

- Invoices shall contain the agreed information and documentation, or the customary information, if not specified, and be submitted after delivery. Improper invoices shall be deemed received only by the date of the corrected submission.
- Payment is made using standard commercial practices, deducting a 3% discount for payment up to 14 days after delivery/service or net for payment within 30 days. The respective later date shall be used in determining the period of grace.

§ 4 Scheduled Delivery, Delivery Delays and Force Majeure

- The agreed delivery schedules are binding and should be adhered to by the supplier. Deemed compliance is the timely receipt of goods at the agreed point of delivery.
- The supplier must notify the purchaser in writing immediately a delay becomes apparent, stating reasons and expected slippage. Irrespective of any notification of the delay, penalty clauses due to the delay shall be invoked. In urgent cases, especially to avoid production losses or in view of the purchaser's delivery schedules, the purchaser shall be entitled to source materials elsewhere at cost to the supplier.
- Force Majeure and labour strike action exempt the contract partner from this obligation for the duration of the disturbance. However, the contract partners are obliged to supply within a reasonable timeframe any pertinent information and to endeavour to their best ability to adjust to changing circumstances minimizing the dislocation. If the purchaser does not wish to receive the goods any longer because of the delayed delivery, the purchaser is entitled to cancel the delivery contract after giving prior notice.
- In addition, the purchaser is, in the case of delayed deliveries, entitled to claim damages and/or rescind the contract in accordance with legal statutes.
- Part delivery will only be accepted after express consent.

§ 5 Liability for Defects

- Obvious deficiencies of the delivery, such as incorrect quantities and obvious transport damages shall be indicated by the purchaser as soon as orderly business conditions permit their assessment. A defect notice shall be deemed timely, if notified within 5 working days after delivery acceptance. Other defects are to be notified within 5 working days after discovery.
- The parties agree that a defect has been properly notified under applicable UN Commercial Law, if the purchaser has notified the supplier of the product defect. On request of the supplier, the purchaser shall provide the supplier with a reasoned detailed report as to the non-usability of the delivery within a reasonable time frame.

- The supplier guarantees the suitable composition of supplied products, especially the specifications, as stipulated by the purchaser. Alterations and variations categorically require prior consent.
- The purchaser has every unencumbered legal right to legal compensation from defects, including claims for damages and loss.
- If the supplier does not remedy the defects or provide replacement supplies within no more than 10 working days, the remedial action shall be deemed to have failed; in which case the purchaser is entitled to rescind the contract without further delay and demand compensation damages in place of services.
- Inasmuch supplied products become components of an end user product for sale to consumers, the purchaser reserves the right in the case of an application of §§ 478, 479 of the Federal Civil Code (BGB) by his customers, to seek redress from liability from the supplier in a corresponding application of the statutes. §§ 478, 479 of BGB regulate extend, content and limitation of such a claim.

§ 6 Product Warranty and Protection from General Liability

- Inasmuch a supplier is liable for damages from a product the supplier shall indemnify the purchaser from claims for damages from third parties at first request.
- The purchaser and supplier shall support each other in any resulting court proceedings.
- The supplier is obliged to have appropriate general liability insurance.

§ 7 Trademark Rights and Liability for Defects of Title

- The supplier assures that all deliveries are free of indemnity of third parties and that through the delivery and utilization of the delivery items no patents, licenses or other copyrights of third parties in the country of delivery and – as far as is known to the supplier – the intended country of use are being infringed.
- The supplier indemnifies the purchaser and his customers of all claims of third parties resulting from possible copyright infringements and bears all costs the purchaser may incur in such circumstances.
- For all other claims in respect of defect liabilities the regulations as set out in § 5 of this contract are applicable.

§ 8 Confidentiality

- The contract partners are obliged to maintain confidentiality in all matters of the business privity. In particular the partners are obliged to maintain strict secrecy over received illustrations, drawings, calculations, construction sketches, CAD-data and

- other documentation and information. Contents may only be made available to third parties after prior express written consent.
- The confidentiality requirement continues after expiry of this contract, even in the case that no contract ensues.
- Received documentation, including all copies, must be returned to the contract partner at the end of the contract without the need for a request; data, which cannot be returned, must be permanently destroyed.

§ 9 Contract of conduct

The customer has accept the branch code GKV. Should the supplier dispose of own code of conduct, both contracting partners accept her codes as equivalent. They renounce with it a contractual submission of the partner under her own code of conduct.

§ 10 Closing Provisions

- These conditions are usually employed in legal business dealings.
- If individual parts of the General Purchase Conditions are or become legally void, the legal validity of the remaining clauses shall not be prejudiced.
- The supplier is not entitled, without prior written consent, to pass the contract or major parts of the contract to third parties or to surrender rights to claims outside an extended or widened reservation of title rights.
- If the supplier stops payments, an insolvency proceeding shall be applied for or commenced, or if an out-of-court settlement of debt procedure over the assets of the supplier has been instituted, the purchaser is entitled to rescind the contract without notice, unless the application is withdrawn within 4 weeks.
- Place of production and legal venue are 88299 Leutkirch / Germany.
- For all legal redress of the parties the laws of the Federal Republic of Germany apply.
- The contract language is German. Should another language be used the German formulation shall have precedence.