

**§ 1 Validity**

1. All our orders shall exclusively be governed by the following terms and conditions of purchase. Terms and conditions of contractual parties shall not become part of the subject matter of the purchase conditions, unless otherwise stipulated in these terms and conditions of purchase or any contract with the respective supplier. An express objection from our side shall not be necessary. If we accept the goods without express objection, the seller may in no case assume our consent with his conditions.
2. Verbal orders as well as order changes on the part of our employees shall only become effective after written confirmation of such oral order or order change. The requirement of written form shall be deemed observed by fax or e-mail transmission.
3. We shall hold ourselves bound to our orders for two weeks from the date of order so that orders can only be accepted within 2 weeks upon receipt of the respective order.

**§ 2 Delivery Times / Delay in Delivery**

1. Delivery times and dates shall be binding and adhered to. Any foreseeable delay must be communicated to us in writing. Early delivery shall not be permissible
2. Unless otherwise agreed upon, the receipt of goods by us shall be decisive for the compliance with the delivery times or dates.
3. The supplier can only invoke the failure by us to supply necessary documents if he has not received the documents despite a written reminder.

**§ 3 Execution of Deliveries / Passage of Risks**

1. The risk of accidental loss and deterioration shall be borne by the supplier until the goods are handed over at the place of its destination, even if a shipment of the goods has been agreed upon. This shall also apply to carriage-paid and free deliveries.
2. The supplier shall only be entitled to effect partial delivery with our prior written consent.

**§ 4 Prices / Payment Period**

1. If not expressly otherwise agreed, agreed upon prices are fixed prices.
2. The costs of delivery, in particular the costs of freight, customs duties, etc. shall be borne by the supplier, unless otherwise agreed upon in writing in advance.
3. Unless expressly agreed upon otherwise, we shall not bear any costs in connection with offers and the provision of samples.
4. If no particular payment period has been agreed upon, such period shall be 2 weeks. Payment period shall commence on the day of receipt of the invoice, of all valid certificates of acceptance and of any other contractually required documents as well as the goods.

**§ 5 Liability for Defects**

1. The seller shall provide the goods free of material defects and defects in title. The seller shall in particular guarantee that his goods and services comply with the acknowledged rules of technology and the contractually agreed properties and standards.
2. Any acceptance of the goods by us or by our customers shall be declared with the proviso that the goods shall be examined with regard to their integrity and their suitability, irrespective of corresponding provisions in delivery notes or confirmations of acceptance. A confirmation of acceptance signed upon delivery to us or to our customers shall only be considered as a receiving slip. It shall neither imply the absence of defects nor a disclaimer of penalties or claims for damages caused by delayed performance.
3. We shall be entitled to inspect the goods for defects. A notification of defect shall be deemed to have been received in due time if it reaches the supplier within 2 weeks by letter, telefax, e-mail or by telephone. The period for notification of defects shall begin on the date on which we, or in case of third-party deals, our customers have or should have detected the defect.
4. We shall be entitled to decide how to grant supplementary performance.

5. The goods delivered shall be inspected by way of random sampling. If considerable defects are detected in a significant number of products during inspection, we shall be entitled to request a new delivery regarding the whole consignment.
6. In urgent cases, we shall be entitled to remove the defects ourselves at the supplier's costs. This shall also comprise a replacement if the supplier is not able to remove the defects in a timely manner.
7. The supplier shall assume product liability towards us regarding any defects of the products delivered by him. He shall bear all costs and expenses resulting from such liability (including the costs of litigation, refitting, etc.). For the purpose of providing coverage against such liability, the supplier shall take out a product liability insurance and provide evidence of such insurance upon request.

#### **§ 6 Penalty**

Where a penalty has been agreed upon in our favour, a proviso upon receipt of the goods shall not be necessary. We shall be entitled to offset the penalty against the final payment.

#### **§ 7 Ownership Protection**

1. We reserve the property and the copyrights to all our purchase orders, orders as well as to drawings, illustrations, calculations, descriptions and other documentation provided to the supplier. Without our express agreement, the supplier may not make them accessible to third parties, or use or reproduce them himself or allow them to be used or reproduced by third parties. At our request, he is required to return these documents in their entirety, if they are no longer needed in the regular course of business or if negotiations do not result in the signing of a contract. Any copies the supplier may have made of the documents shall be destroyed; except for data stored pursuant to the statutory storage duties and the storage of data for backup purpose as part of usual data protection.
2. Tools, devices and models made available to the supplier by us or manufactured for contractual use and invoiced separately to us by the supplier shall remain our property or shall be passed on to our property. The supplier is required to mark the parts as our property, to protect the parts against any damages and to use them only for the purposes of the contract. In the absence of a deviating agreement, each of the contractual parties shall bear half of the maintenance and repair costs. However, insofar as such costs are attributable to defects in items manufactured by the supplier or to improper usage on the part of the supplier, its employees or other agents, then such costs shall be the sole responsibility of the supplier. The supplier shall notify us without undue delay of all damage to said items, which are no minor damages. Upon request, the supplier is obliged to hand over said items to us in proper condition, if they are no longer needed for the fulfilment of the contracts entered with us.
3. The seller's terms covering his retention of title shall apply, unless they are invalid according to § 305 – 310 of the German Civil Code (BGB), however, subject to the condition that title in the goods shall pass to us on the date of payment for such goods and any extended form of so-called current account reservation of title shall not apply.

#### **§ 8 Property Rights**

1. Pursuant to the following paragraph 2, the supplier shall guarantee that in connection with products delivered by the seller no third-party property rights are infringed in countries of the European Union or other countries where the products are produced by the supplier or on behalf of the supplier.
2. The supplier shall undertake to indemnify us from all third party claims that are raised due to the infringement of industrial property rights stipulated in paragraph 1 above, and to reimburse us for all necessary expenses in connection with such claims. Such claim does not exist provided that the supplier proves that he is neither responsible for the infringement of a property right nor should have been aware of this infringement by exercising commercial care at the time of delivery.
3. Our further legal claims due to defects of title in the products delivered to us shall not be affected.

**§ 9 Clause of Compliance**

The supplier undertakes to adhere to the laws of the applicable legal system. In particular, he agrees not to tolerate any kind of bribery or corruption, to observe the employees' civil rights, the prohibition of child and forced labour, to adhere to environmental regulations, and to have his suppliers observe these principles, too.

**§ 10 Place of Fulfilment/ Place of Jurisdiction/ Applicable Law/ Severability Clause**

1. Place of fulfilment for the delivery is, except when otherwise stipulated, our plant, or for delivery to another place, such other place.
2. Provided that there is no other place of exclusive legal jurisdiction, Düsseldorf shall be the exclusive place of jurisdiction.
3. In addition to these terms and conditions, all legal relationships between the supplier and us shall be governed by German laws, to the exclusion of the provisions of the Vienna UN Convention of 11 April 1980 on Contracts for the International Sale of Goods.
4. Any ineffectiveness or incompleteness of individual provisions in contracts concluded between the parties shall not affect the effectiveness of the respective contract. Any ineffective or incomplete provision shall be then, to the extent permitted by the law, replaced or completed by a provision that will correspond as closely as possible to the legal and commercial intent of the original provision or general context.