

General Terms and Conditions of Purchase of TS Verbindungsteile GmbH

1. Decisive Conditions

1.1 The Terms and Conditions of Purchase of TS Verbindungsteile GmbH shall apply exclusively; TS Verbindungsteile GmbH does not recognise any terms and conditions of the supplier that conflict with or deviate from these Terms and Conditions of Purchase, unless TS Verbindungsteile GmbH has expressly agreed to their applicability in writing. These Terms and Conditions of Purchase shall also apply if TS Verbindungsteile GmbH accepts the supplier's delivery without reservation in the knowledge that the terms and conditions of the supplier conflict with or deviate from these Terms and Conditions of Purchase.

1.2 All agreements made between TS Verbindungsteile GmbH and the supplier for the purpose of executing this contract must be set out in writing in this contract. The quality guidelines of TS Verbindungsteile GmbH are an integral part of this contract. The quality assurance agreement can be found at www.ts-verbundungsteile.de under the downloads, or alternatively, it will be sent to the supplier free of charge on request.

1.3 These Terms and Conditions of Purchase shall only apply vis-à-vis entrepreneurs, pursuant to § 310 (1) of the German Civil Code (BGB).

2. Orders, Documentation, Non-disclosure, Certification of Material Testing

2.1 Only orders placed by TS Verbindungsteile GmbH in text form (e.g. by email or fax) are legally binding. The supplier is obliged to accept orders placed by TS Verbindungsteile GmbH within of two weeks after receipt thereof.

2.2 The preparation of quotations for TS Verbindungsteile GmbH shall be free of charge.

2.3 Documents or other means of production such as samples, drawings, models, tools, technical specifications or similar materials, which TS Verbindungsteile GmbH makes available to the supplier, or for which TS Verbindungsteile GmbH pays the supplier, may only be used for deliveries to TS Verbindungsteile GmbH. The supplier may not pass such materials on to third parties or use them for their own purposes. They are to be treated confidentially for an unlimited period, and must be handed over to TS Verbindungsteile GmbH in perfect condition immediately upon request, without withholding of copies, individual items etc., as soon as the order has been completed.

2.4 TS Verbindungsteile GmbH reserves all rights of ownership and the copyrights to documents or other production materials in the sense of No. 2.3 above.

2.5 Where certification of material tests has been agreed upon, the certificates must be sent to TS Verbindungsteile GmbH together with the delivery, or at the latest, one day after receipt of the goods.

3. Delivery Deadlines, Delivery Delays, Partial Deliveries

3.1 The delivery periods, as specified in the order, are binding.

3.2 The supplier is obliged to inform TS Verbindungsteile GmbH in writing immediately, if any circumstances arise or become apparent to the supplier, that indicate the inability to meet the stipulated delivery deadline.

3.3 In the event of a delay in delivery, TS Verbindungsteile GmbH shall be entitled to the statutory claims. Specifically, they shall be entitled to demand damages in lieu of fulfilment, and they may

withdraw from the agreement following the fruitless expiry of a reasonable period of grace. If TS Verbindungsteile GmbH demands compensation, the supplier shall be entitled to provide proof that he is not responsible for the breach of obligations.

3.4 The supplier shall ensure that all deliveries comply with the latest technical standards, all of the relevant statutory and official regulations and the contractual specifications.

3.5 Partial deliveries are only permitted with express consent.

4. Transfer of Risk, Documentation

4.1 Unless otherwise agreed in writing, delivery shall be free of charge to the customer's address.

4.2 A delivery note shall be enclosed with all shipments. The supplier is obliged to state TS Verbindungsteile GmbH's exact order number on all shipping documents and delivery notes; if he fails to do so, TS Verbindungsteile GmbH shall not be responsible for any resulting delays in processing of the order received.

5. Non-contractual Services

5.1 Upon receipt, TS Verbindungsteile GmbH shall inspect the delivered goods for compliance in terms of quantity and identity, as well as for any outwardly visible transport damage. Any defects determined in the process shall be reported immediately. Beyond this, there shall be no incoming goods inspection of the delivered goods. TS Verbindungsteile GmbH shall notify the supplier immediately of any defects that are determined, as soon as they are detected in the normal course of business. In this context, the supplier shall waive the right to object to late notification regarding defects.

5.2 TS Verbindungsteile GmbH shall be entitled to the full scope of statutory claims for defects; in all cases, TS Verbindungsteile GmbH shall be entitled to demand that the supplier either rectifies the defect or supplies a new item, at the discretion of TS Verbindungsteile GmbH. The right to claim damages, particularly damages in lieu of fulfilment, is expressly reserved.

5.3 If the supplier is in default, TS Verbindungsteile GmbH shall be entitled to remedy the defect itself at the supplier's expense.

5.4 The period of limitation shall be 36 months, calculated from the time of the transfer of risk, unless longer periods are prescribed by law or have been agreed with the supplier.

5.5 In the event of notices of defects, TS Verbindungsteile GmbH shall be entitled to withhold payment in reasonable proportion to the material defects that have occurred.

6. Product Liability

6.1 If the supplier is responsible for damage to a product, he shall be obliged to indemnify TS Verbindungsteile GmbH against any claims for damages by third parties, at the first request, insofar as the cause of the damage to the product lies within the supplier's sphere of control and organisation, and the supplier himself is liable in respect of third parties.

6.2 Within the scope of their liability for cases of damage in the sense of Paragraph (1), the supplier is also obliged to reimburse any expenses, in accordance with §§ 683, 670 BGB or in accordance with §§ 830, 840 and 426 BGB, arising from or in connection with a recall campaign carried out by TS Verbindungsteile GmbH. TS Verbindungsteile GmbH shall inform the supplier of the details and scope of the recall measures to be carried out, insofar as this is possible and reasonable, and give the supplier the opportunity to respond. All other legal claims shall remain unaffected.

6.3 The supplier undertakes to maintain product liability insurance with cover of at least EUR 10 million per incident of personal injury/damage to property, as a lump sum; if TS Verbindungsteile GmbH is entitled to any further claims for damages, these shall remain unaffected.

7. Property Rights

7.1 The supplier shall ensure that no third party rights are infringed upon in connection with the delivery of goods.

7.2 If a claim is made against TS Verbindungsteile GmbH by a third party for this reason, the supplier shall be obliged to indemnify TS Verbindungsteile GmbH against such claims at the first written request; TS Verbindungsteile GmbH shall not be entitled to make any agreements with the third party, except with the supplier's consent, particularly the conclusion of a settlement.

7.3 The supplier's obligation to indemnify TS Verbindungsteile GmbH shall apply to all necessary expenses incurred by TS Verbindungsteile GmbH as a result of, or in relation to the third party claim.

7.4 The period of limitation shall be 36 months, calculated from the date of the transfer of risk.

8. Prices, Terms of Payment

8.1 The prices agreed upon for the delivery date, at the time of the order, are binding, and delivery – including freight, packaging and ancillary costs – shall be free to the destination specified by TS Verbindungsteile GmbH. The statutory value added tax shall be included in the price.

8.2 Insofar as the prices have not been agreed upon inclusive of packaging, the packaging may only be charged at cost price. No charges may be imposed for other packaging or filling material (wood wool, paper, etc.).

8.3 Unless otherwise agreed in writing, TS Verbindungsteile GmbH shall pay the purchase price within 14 days in each case, with a 3% discount, or 30 days net, calculated from the time of receipt of the goods and the invoice.

8.4 The payment period shall not commence before receipt of the certificate pursuant to No. 2.4.

8.5 TS Verbindungsteile GmbH shall be entitled to set-off and retention rights, to the extent permitted by law.

9. Retention of Title, Provision of Materials

9.1 Ownership of all goods delivered shall pass to TS Verbindungsteile GmbH upon delivery. To be valid, any agreements deviating from this must be expressly agreed in writing.

9.2 If TS Verbindungsteile GmbH provides parts to the supplier, TS Verbindungsteile GmbH shall retain ownership of these (reserved goods). Processing or changes by the supplier shall always be carried out on behalf of TS Verbindungsteile GmbH. If the goods subject to retention of title are processed with other items that do not belong to TS Verbindungsteile GmbH, TS Verbindungsteile GmbH shall acquire co-ownership of the new item in the ratio of the value of the goods subject to retention of title (purchase price plus VAT) to the other processed items at the time of processing.

9.3 If the reserved goods are inseparably mixed with other items that do not belong to TS Verbindungsteile GmbH, TS Verbindungsteile GmbH shall acquire co-ownership of the new item in the ratio of the value of the reserved goods (purchase price plus VAT) to the other mixed items at the time of mixing. If the mixing takes place in such a way that the supplier's item is to be regarded as the main item, it is deemed to be agreed that the supplier shall assign co-ownership to TS Verbindungsteile GmbH on a pro rata basis; the supplier shall retain sole ownership or co-ownership together with TS Verbindungsteile GmbH.

9.4 Insofar as the security rights to which TS Verbindungsteile GmbH is entitled, in accordance with Paragraph (2) and/or Paragraph (3) exceed the purchase price of all goods subject to retention of title that have not yet been paid for, by more than 10%, TS Verbindungsteile GmbH shall be obliged to release the security rights they have chosen at the suppliers' request.

10. Place of Fulfilment, Court of Jurisdiction

10.1 The place of fulfilment for all deliveries and services is 54634 Bitburg, Germany.

10.2 The court of jurisdiction for all legal disputes arising from this contractual relationship is Bitburg. TS Verbindungsteile GmbH is also entitled to take legal action against the customer at his place of business.

10.3 The law of the Federal Republic of Germany applies exclusively. The applicability of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 (UN Sales Convention/CISG) is excluded.