

General Conditions of Purchase

I. General

Only orders placed in writing for which the following conditions are exclusively valid shall be legally binding, provided no other agreement has been made in writing.

These purchase conditions apply to all business transactions with the Supplier. Services shall be exclusively procured on the basis of these conditions. They shall still apply even if no longer specified in later agreements.

Only orders placed with us in writing shall be deemed binding. Oral agreements shall require confirmation in writing.

The preparation of offers shall be free of charge for us.

Any documents or other production materials, such as samples, drawings, models, tools, technical specifications or the like, that are provided to the Seller, or for which we pay the Seller, may be used only for deliveries to us. They and the goods manufactured subsequently or manufactured using the said items may not be passed on to third parties or used for the Seller's own purposes. They must be kept confidential for an unlimited period, and must be returned immediately or handed over to us on request in perfect condition, without retaining any copies, individual pieces or the like, as soon as the order has been processed.

II. Orders

Commissions and orders shall be placed in writing, by telephone, fax, or e-mail, on the basis of these purchase conditions, and in conjunction with our quality guidelines.

The delivery dates and periods specified in the order shall be binding. If a rejection is not received immediately from the Supplier after it receives an order, the order and the specified deadline shall be deemed accepted.

III. Delivery periods, scope of delivery

All of the delivery dates we specify are determined according to the calendar, and should be understood as fixed deadlines. Legal claims that accrue in the event of delays in delivery cannot be excluded.

The Supplier gives a guarantee and assurance that all deliveries correspond to state-of-the-art technology, and comply with the relevant legal and official provisions, regulations and guidelines from public authorities, business and trade associations, as well as with the contractual specifications.

Partial deliveries are permitted only with our express permission.

The Supplier shall be liable for shortfalls (Articles 280, 281 BGB – German Civil Code), even without a period of grace, and the Supplier shall be liable for losses resulting from shortfalls and deliveries for which it is responsible, as well as for services provided that are not free from defects, in particular for losses, suffered by the Purchaser as a result of having to make covering purchases. We reserve the right to exercise any other claims available to us under law. The Supplier shall have the right to prove to the Orderer that no loss or a smaller loss resulted from the delay.

A delivery note must be included with all shipments.

IV. Warranty

The delivery must be made free from defects as to quality or title, and must comply with recognised, sound engineering practice, the contractually agreed properties, standards relating to safety, occupational safety, accident prevention and all other relevant regulations. In the event of a defect, we shall be entitled to assert and pursue our legal rights and claims.

Claims based on defects as to quality shall come under the statute of limitations after a period of two years. This provision shall not apply where the law prescribes longer periods, or in cases involving injury to life, limb or health, intentional or grossly negligent breach

of duty on the part of the Supplier, or in cases of fraudulent concealment of a defect. The Orderer shall be entitled to withhold payments in the case of notice of defects, provided the sum involved is in an appropriate ratio to the material defects identified. In addition to asserting a claim for supplementary performance, the Orderer may withdraw from the contract, reduce the payment amount and demand reimbursement of its expenses. The Supplier is obliged to effect the delivery free from industrial property rights and third-party copyright. The Supplier shall be liable towards the Orderer should a third party assert a claim against the Orderer on the grounds of violation of industrial property rights resulting from deliveries effected by the Supplier and used according to the terms of the agreement.

V. Prices, payment conditions, delay in payment

As a general rule, the prices agreed for the delivery date at the time of the order is made shall be understood free to the reception point specified by us, and inclusive of freight, packaging and incidental costs.

If prices not including packaging were agreed, packaging may be charged only at the cost price. No charges may be made for other packaging or filling material (wood wool, paper, etc.).

Unless otherwise agreed in writing, we shall pay the purchase price within ten days with a 3% discount, calculated from goods receipt and invoice receipt, or 30 days net.

If material inspection certificates have been agreed, these must be sent to the Orderer along with the delivery. Failing this, they must be received by the Orderer within one day of receipt of the goods. The payment period shall begin only when the certificate has been received.

VI. Product liability

If the Supplier is responsible for product damages, it must indemnify the Orderer against any compensation claims from third parties, including claims for consequential losses from defects.

The Supplier is obliged to take out and maintain appropriate product liability insurance for the duration of the business relationship. On request, evidence of the insurance contract must be provided.

VII. Reservation of title

Reservation of title on the part of the Supplier shall be valid only if it has been separately and expressly agreed.

VIII. Place of performance, place of jurisdiction

Place of performance for all goods and services is the receiving point specified in the order.

The place of jurisdiction for any legal disputes following orders and deliveries, including any action relating to the payment of cheques or bills, is DE-54634 Bitburg, provided the Supplier is a registered trader or a legal entity under public law.

For our suppliers abroad, we agree that the laws of the Federal Republic of Germany shall apply exclusively, excluding the terms of the UN Sales Convention.

IX. Other provisions

If one of the provisions of these General Conditions of Purchase should be or become illegal, this shall not affect the validity of the remaining provisions. In its place, a provision that was intended by the parties, or otherwise the statutory provisions, shall apply. Under no circumstances shall the relevant provision in these General Conditions of Purchase be replaced by one from the Terms and Conditions of Business of the Supplier.

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