

Purchase Conditions

1. Validity of these conditions

All quotations, orders and contracts are given on these terms and shall override any terms or referrals to the terms of the Vendor, even if these are not explicitly objected to.

2. Offers

Offers have to correspond to the inquiries. Any deviation from the inquiry must be expressly pointed out in the offer. All offers are made to us free of charge. Any and all samples, drawings, or models attached to the inquiry remain our property and have to be returned to us with the offer at no charge.

3. Orders, confirmations of orders

- Orders are only considered binding if made in written form.
- The Vendor has to confirm the order immediately in written form.

4. Delivery, delivery time, default in delivery

- Deliveries comprise all parts and items listed in the order, as well as all necessary technical and maintenance documentation.
- The Vendor has to inform us well in advance about an end in availability in order to enable us to make a final disposition.
- All delivery dates are binding. Advance deliveries or partial deliveries are only admissible with our explicit consent, at corresponding value adjustment. We reserve the right to change delivery dates.
- The delivery date is met if and when the point of acceptance agreed upon has received the delivery in its entirety.
- For delivery defaults, the rules and regulations of the law apply. Acceptance of delayed deliveries does not imply a waiver of compensation.

5. Supply of spare parts

The Vendor has to supply us with spare parts for at least 7 years after the date of the last delivery for batch production.

6. Prices, terms of payment

- Prices comprise all items and services which the Vendor has to provide in fulfillment of his duty to deliver and perform.
- Prices include delivery to the acceptance offices or other points of acceptance agreed upon. Prices include package material and packaging. For multiple delivery contracts, any price cuts occurring between the placement of the order and the final delivery have to be passed on to us.
- Payments are prompted either 14 days after receiving the delivery and the invoice, with a 3% discount, or 30 days after receiving the delivery and invoice, in full.
- In case of complaints, we reserve the

right to withhold full or partial payment, or to settle the complaint against the next delivery.

7. Shipping, transport insurance, and transition of risk

The Vendor bears all risks of transport. This also applies if we take over the costs for haulage and any insurance.

8. Force majeure, strike, lock-out

- In cases of superior force, strike, or lock-out either on our side or on the side of our subcontractors, the date for the acceptance of deliveries is delayed accordingly, if acceptance remains possible. Should acceptance become impossible, we reserve the right to withdraw from the contract as regards the partial nonexecution.
- Should the impediments stated above continue for more than 2 months, the Vendor has the right to withdraw from the contract as regards the partial nonexecution.

9. Retention of title

The Vendor has no rights of retention of title exceeding the common retention of title.

10. Quality and documentation

- The Vendor guarantees that the product quality of the goods to be supplied conform to the current technical and technological standard, according to all applicable technical norms and the rules and regulations laid down by the law.
- The Vendor has to inform us immediately about any possible changes, improvements, and further developments of the goods to be supplied. The main technical differences between old and new versions of the goods have to be pointed out explicitly in written form.
- Any change to the goods to be supplied requires our prior written acceptance. The first delivery of changed goods has to be explicitly marked.
- The Vendor has to test all goods to be supplied according to the tests, test methods, and means of testing specified by us. Documentation of the tests have to be kept for at least 8 years after the date on the invoice for the last delivery of the tested item, and handed over to us on demand.
- We reserve the right to inspect all control and test documentation of the Vendor. On advance notice, we also have the right to inspect manufacturing and to point out possible flaws and deficiencies.

11. Notice of defects

- If random tests show a defect in the supplied goods which exceeds the respective AQL value, we have the right to test the entire delivery after advance notification at the expense of the Vendor, or to

return the entire delivery at the expense of the Vendor.

- If the properties and quality of the supplied goods can only be determined at manufacturing, the notice of defects can be made within one week after the defect has been determined. In these cases the Vendor waives his right to object to the notice of defects on the grounds of lateness or of the unreserved acceptance of the delivery.
- Payments made prior to the determination and notice of defects do not constitute an acceptance on our part that the delivery is free of defects, or that delivery was made in due form.

12. Warranty

- Should the Vendor delay the substitution for defective goods or the remedying of a defect, or in urgent cases, we have the right to remedy defects after notifying the Vendor ourselves or through a third party, at the expense of the Vendor.
- In the case of hidden defects which are only determined during or after assembly or processing of the supplied goods, we have the right to claim all expenses caused by the defect and its remedying.
- The Vendor has to take over the costs and risks of transport for the return of defective goods, regardless of the location of the defective goods or item.
- This warranty expires after 24 months from the date that the goods have been taken into service by the end user, but no later than 30 months after the date of delivery to us.
- The period of the statute of limitations is checked for the time in which the delivery can not be used due to defects. Defects that concern a part of a delivery are cause for check of the statute of limitation for the entire delivery.

13. Product liability

- The Vendor has to carry out all controls and tests on the goods manufactured or delivered by him independent from us; he is solely responsible for the flawless quality of the goods.
- The Vendor agrees to take out a liability insurance policy, which he has to show us on demand. Taking out this liability insurance does not relieve the Vendor from compensatory damage claims exceeding the sum insured.

14. Provided parts or material, samples, designs, means of production

- Records, supporting documents, and means of production of any kind which the Vendor receives from us have to be returned to us free of charge and without our explicit request as soon as they are no longer needed for carrying out our order.
- All items and documents received from us remain our property. They may only be used as specified and not be handed over

to third parties. Processing of materials and assembly of parts is carried out exclusively for us. The Vendor grants us joint ownership of the goods produced with our materials commensurate with the relation of the value of the materials provided by us to the total value of the product.

- The Vendor has to insure all documents against destruction. He irrevocably cedes all insurance benefits to us.

15. Protective rights

The Vendor releases us from all claims resulting from the violation of the protective rights of third parties.

16. Place of performance, place of jurisdiction, applicable law

- Place of jurisdiction is Balingen, Germany, place of performance is Rosenfeld, Germany.
- These general terms and conditions for purchases comply with and are construed according to the laws of the Federal Republic of Germany, which will also apply to all transactions made on the basis of these general terms and conditions for purchases, at the exclusion of the United Nations agreement on the international purchase of goods.

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