

General Terms and Conditions of Purchase (Revision: March 2007)

1. Orders

All orders of goods and services as well as all deliveries shall always be exclusively based on the following Terms and Conditions. Conflicting or deviating conditions stipulated by the supplier shall not be deemed accepted unless we have expressly accepted them in writing for a specific order. Our Terms and Conditions shall also apply if we accept a delivery without reservation and/ or pay for it despite being aware of the terms and conditions of the supplier which conflict with or deviate from our Terms and Conditions.

All oral agreements and deviating conditions of the supplier shall only be valid if they have been confirmed by us in writing. Our Terms and Conditions of Purchase and General Terms shall only apply to business-to-business orders.

2. Delivery

Agreed delivery dates are binding. If the supplier realises that a delivery date/ date of performance cannot be kept for whatever reasons he shall immediately inform us about this fact in writing, stating the reasons for the delay and indicating a new delivery date/ date of performance. We shall be entitled to withdraw our order if we cannot accept the new delivery date and if the supplier neglects to deliver or execute the order within a grace period set by us. The fact that we may agree to a new delivery date suggested by the supplier or the supplier may accept a grace period set by us does not imply an extension of the contractually agreed date of delivery/ performance.

The provisions of statute shall apply in full (compensation/ withdrawal) if the supplier does not meet or does partially not meet agreed dates of delivery/ performance. We reserve the right to withdraw from an indefinite/ definite quantity contract or similar order contract, or to claim compensation instead of delivery, if the supplier falls behind with a partial shipment/ service and a grace period set by us for this part shipment has expired without shipment from the supplier.

3. Shipment

Shipment to the address indicated in our order shall take place at the supplier's risk and expense. The supplier undertakes to observe all relevant shipping and declaration regulations, as well as all arising export and import procedures. Any damages resulting from the supplier's non-compliance with these regulations shall be borne by the supplier. Furthermore, the supplier bears all risks of loss or damage to the goods until the goods are received by us. Upon dispatch of each shipment, the supplier shall send us a specified dispatch note for the shipment. This specified dispatch note must show our order number, packaging, parcel numbers, weight, etc.

4. Insurance

We shall only pay for insurance if we have agreed to do so in writing.

Before delivery or before starting to carry out work the supplier shall be obliged to take out a public liability insurance including product liability insurance with sufficient coverage for personal injuries, damages or loss of property and to furnish proof of this insurance on request.

5. Pricing and terms of payment

The prices stipulated in our order are binding. Unless otherwise agreed, prices are „Delivery Duty Paid“ (DDU, Incoterms 2000) including packaging. Upon dispatch, invoices shall be sent to us by separate mail and must show our order number, as well as all information concerning the delivery status, i.e. if the order is complete or which quantities/ pieces still have to be delivered. All invoices must also contain information on packaging, weight, wagon or parcel numbers. VAT (Value Added Tax) must be indicated separately. In particular kind and volume of the shipment must be clearly visible on the invoice. We shall be entitled to pay invoices belatedly and subject to the deduction of the full discount if these invoices have been sent to us belatedly or were incomplete upon receipt. Subrogations without our written consent shall be excluded. § 354a HGB (German Code of Commercial Law) shall not be affected.

6. Warranty

The supplier guarantees to use perfect material according to our requirements and to execute the order properly. Furthermore, the supplier shall assume liability for the compliance with all legal regulations, in particular the German Equipment and Product Safety Law, the trade association's accident prevention regulations as well as the latest issues of the DIN and VDE (Association of German Electricians) regulations. The supplier shall guarantee that the delivery and usage of the delivery items will not violate any property rights of third parties. Otherwise, the supplier shall indemnify us against any claims by third parties.

We shall be entitled to statutory warranty rights without limitations. The respective statutes of limitation shall apply.

The supplier shall be fully liable for the adherence to the regulations applying to the execution of the order, especially the EU Food Law Regulation, as well as all other standard regulations and official directives.

7. Obligation to give notice of defects

Notices of defects reaching the supplier within two weeks from goods receipt or, concerning hidden faults within two weeks from their detection, shall always be deemed as immediately within the meaning of § 377 HGB (German Code of Commercial Law). § 377 HGB shall not apply for the delivery of tailor-made goods.

8. Retention of title

The supplier's right to retention of title shall be excluded.

9. Product liability

To the extent the supplier is responsible for a product damage he shall insofar be under the obligation to indemnify us upon first demand against any claims for damages by third parties if the cause lies within his sphere of control and organisation and he himself is liable in relation towards third parties. Further legal claims shall not be affected.

10. Safety

Employees or persons hired by the supplier to carry out work on our factory premises must observe our plant regulations. The supplier undertakes to continuously point these regulations out to his employees or representatives. If the supplier does not rectify the violation of these regulations within a two-weeks period following a written cease-and-desist warning, or if these regulations have been violated repeatedly, we shall be entitled to terminate the contract immediately for exceptional reasons. The supplier shall bear all damages resulting from the non-compliance with these regulations.

11. Deterioration of pecuniary circumstances

If, after entering in a contract, we notice that our entitlement to counterperformance is at risk due to the supplier's lack of performance (e.g. cessation of payment, opening of insolvency proceedings), we shall have the right, at our option, any other rights reserved, to withdraw from the contract without setting a grace period, or to cancel the contract for exceptional reasons, or to refuse payment until the supplier is able to render counterperformance or furnishes security thereof.

12. Drafts, drawings, models

Drawings or models that we have provided the supplier with or which have been made by the supplier on our order shall be kept confidential with respect to third parties and may not be used by the supplier himself. At our request, all information originating from us shall be returned to us in full.

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

The place of performance is the place to which the goods or services are to be delivered according to our stipulations. Place of payment for our payment obligations is Mannheim. Place of jurisdiction for both parties shall be Mannheim. We further reserve the right to take legal action against the supplier at a court with jurisdiction over the supplier's registered office. The contractual relationships shall be exclusively governed by German law, excluding international civil law and the UN Convention on Contracts for the International Sale of Goods (CISG).