

I.
Scope:

1. Our General Conditions of Purchase apply to the whole spectrum of our purchasing activities i.e. to all purchases by us of any goods, things, services or work.
2. Our General Conditions of Purchase apply exclusively. They also apply to all future transactions and in all cases in which contact is taken up with a supplier for business purposes, such as, for example, the entry into contractual negotiations or in the preliminary stage before conclusion of a contract, even if these Conditions are not expressly agreed again or if no express reference is made to them again.
3. Conditions of the supplier which diverge from, or which contradict, our Conditions of Purchase are not recognized by us. Agreements reached beforehand and previous versions of our Conditions of Purchase are revoked by these Conditions of Purchase.
4. Performance of the act of supply/service ordered and settlement of the remuneration agreed is deemed to constitute acknowledgement of the application of these Conditions of Purchase.

II.
Conclusion of a Contract:

1. We make our orders, changes to orders and calls for supplies in writing, by data-transmission or by fax. In the event of doubt, the content of oral and telephonic agreements (discussions) is only binding, if it has been confirmed by us in writing. Every order, change to an order, as well as every call for supplies, must be confirmed by the supplier immediately in writing. If this confirmation is not despatched within seven working days following receipt of our order or change to an order or if our order is not accepted within a period of seven working days, then we are no longer bound to the order and are entitled to withdraw from the contract. Calls for supplies become binding, if the supplier does not object to them within seven working days after receipt.
2. Order documents, in particular any drawings or sketches enclosed, remain our property. The supplier is obliged to state on all correspondence the company reference which was given at the time of our preliminary enquiry or, as appropriate, in our written order. In any event, the supplier must quote our order and article number, as already provided by us, and the name of the contact person in our office.
3. A reference to business relations with us in publicity material or in documents of reference or the use of trade-marks and labels which belong to us requires our prior written consent.
4. The offers or estimates of costs which are transmitted to us by the supplier are binding. They are to be prepared by the supplier free of charge.

III.
Item to be supplied:

1. The supplier is obliged to supply, or, as appropriate, to carry out, the item/service ordered by us in accordance with the contractual agreements. Deviations are only permissible with our written consent. The supplier guarantees that the supply/service will be performed with the use of suitable materials, that it will conform to the recognised technical rules and that it will comply with the statutory- and official safety-regulations and the environmental-protection provisions which are currently in force or which have already been enacted subject to a transitional period, but which will definitely come into force.
2. If we order parts which are to be manufactured by the supplier in accordance with a drawing or sketch specifically provided by us or in accordance with a model, then, if we so request, the supplier shall, together with supply of the item ordered, submit a test-protocol free of cost to us showing the characteristics of the product, such as measurements etc.
3. If the supplier makes changes to the manner in which the material processed is composed or in the constructive manufacture of its products or services, as compared with similar supplies or services which were previously supplied to us, then the supplier is obliged to inform us about this without delay in advance. In principle, any changes require our consent.

4. The supplier must carry out the instructions given to it in its own business premises. Transmission of instructions to third parties requires our written consent. If the subject-matter of our contract with the supplier involves the provision of consultancy services or other work which, due to the content thereof, requires to be performed personally by a specific individual as a fundamental element of the contract, then the supplier shall be obliged to arrange for the consultancy services or other work to be carried out by the relevant individual personally.
5. At our request, the articles ordered are to be supplied in such a manner that the identity of the supplier or manufacturer is not recognisable by third parties. The firm-names or logos of the supplier or manufacturer are not to be affixed to the products without our written consent. The supplier or manufacturer is, in any event, permitted to attach an identification number to the parts to be supplied.
6. If we instruct the supplier to perform work of a non-physical kind, such as, for example, construction, consultancy or programming work, then, on delivery thereof or, as appropriate, on performance of the relevant contractual obligation, we acquire the exclusive right to use the work done, such right being unlimited in time and space. Inventions made in connection with performance of the work are to be notified to us and the exclusive rights thereto are to be assigned to us. The personality rights of the inventor remain unaffected.
7. If we instruct the supplier to perform consultancy work, to provide services or to produce an item of work at the premises of our customers, then the supplier is obliged to comply with our basic directions, especially with regard to quality management and documentation requirements.
8. If we instruct the supplier to perform work protected by copyright, then that contractor grants to us an exclusive, worldwide, assignable right to use the relevant work, unlimited both in time and in content. The right of use encompasses the right to reproduce, distribute and exhibit the work in physical form, the right to transfer it onto picture- and sound media, the right to reproduce the work in incorporeal form in public and the right to make the work publicly accessible in that form.

IV.

Models, Tools, Drawings, Sketches, Logo:

1. If, within the framework of a supply/service, we provide any of the following to the supplier:
 - models, samples, manufacturing-equipment, tools, measuring- and testing devices, drawings, standardized workshop-papers, printing plans or other ancillary materials,then these remain our property. They will be stored by the supplier with the care of a proper businessman, free of charge, properly and prudently; they will be labelled by the supplier as our property and will only be used by the supplier for the purpose of the performance of our supply/service. The models and tools which are made available to the supplier are to be insured by the supplier against catastrophes such as fire, water, theft and loss at the supplier's cost and at their repurchase value as new.
2. The attention of the supplier is hereby drawn to the fact that our drawings or sketches, as well as our logos and all data produced by us, are protected under copyright law and/or under trade-mark law. The supplier therefore undertakes that, without our prior consent in writing, the supplier will not pass on the following to third parties nor use the same for non-contractual purposes: our logo, the drawings or sketches and data, as well as the tools and models manufactured on the basis thereof. For every case of blameworthy infringement of this undertaking, we are entitled to claim a liquidated lump-sum in damages amounting to EUR 10,000.-- (in words: Ten Thousand Euros); it is open to the supplier to show that we have not incurred any loss or that the loss incurred by us is smaller. If the evidence presented is satisfactory, then we shall only be entitled to claim compensation for the loss which has actually arisen. We reserve to ourselves the right to claim an amount of loss which is verifiably higher, either instead of the liquidated lump-sum or in addition thereto.
3. On manufacture of the item to be produced or, as appropriate, on despatch of the supply contracted for, the supplier transfers ownership to us in respect of all models, tools, drawings and sketches specifically designated for the order which were manufactured by the supplier at our cost. We accept the transfer of ownership. If these remain with the supplier, then delivery thereof to us shall be substituted by our allowing the supplier to retain the manufacturing equipment and tools as gratuitous bailee for the purpose of the performance of the order.

4. If we make a contribution toward the cost of production of manufacturing equipment, tools or models, then the supplier will transfer co-ownership of the manufacturing equipment, tools or models to us in proportion to the relationship which our contribution bears to the total costs of manufacture. We accept the transfer of co-ownership. The supplier is only entitled to use the manufacturing equipment, tools or models which are encumbered with our right of co-ownership for the benefit of other customers after our written consent has been given.
5. To the extent that the supplier produces goods on our instructions and with our assistance – e.g. by our making available models, drawings etc. –, then goods of the relevant kind may only be manufactured by the supplier exclusively for us and they may only be delivered to, and sold to, us.

V.
Terms of Payment:

1. Periods for payment begin to run from the delivery-date fixed or, as appropriate, from the date of supply (of services or work) fixed; they begin to run at the earliest from the day of receipt of the goods or the day of complete performance, from acceptance thereof – insofar as this is agreed or is stipulated by law – and from the time of receipt of a proper invoice. If the issue of additional certificates or material-testing certificates is agreed, the payment periods do not commence before receipt of such documents in correct form. These documents constitute an integral component part of the supply; they are to be presented at the latest five days after receipt of the goods or, as appropriate, receipt of the invoice.
2. Unless otherwise agreed, the supplier will grant a 3 % discount for prompt settlement in respect of payments made within 14 days after receipt of the goods/receipt of an invoice; otherwise, payment will be made within 30 days net. If defects in the delivery should appear or should be discovered within that time-period, then we have a right of retention and the claim of the supplier will not become due for payment until final removal of the defect or, as appropriate, until a faultless replacement delivery is made. In this case as well, we are entitled to deduct a discount for prompt settlement.
3. We are entitled to make payments by cheque or by bills of exchange which are capable of being discounted, the discounting charges and taxes to be borne by the supplier.
4. Settlement of an invoice shall not be deemed a waiver of the right to complain of defects. If a supply is defective, we are entitled to withhold payment proportionately until proper performance.
5. Apart from the above, we are entitled to the rights of set-off and retention as provided for by statute.
6. The supplier is not entitled to assign its claims to payment of its remuneration to third parties without our prior written consent. We will not unreasonably refuse to give this consent.

VI.
Prices, Despatch, Packaging, Delivery:

1. The prices agreed are basically fixed price. If no prices are stated in the order, then the list prices of the supplier shall apply with the deductions which are customary in the trade. If the supplier reduces the prices for the products ordered before they are despatched, then the reduced prices shall apply. Unless otherwise agreed, despatch of goods within Germany shall, in principle, take place freight paid and insured: CIP (Incoterms 2010) or, as appropriate, in the case of goods despatched from abroad, delivered, insured and customs paid: DDP (Incoterms 2010) to our delivery-address as stated.
2. Packaging-slips are to be enclosed with all deliveries; despatch-documents are to be sent in on the day of despatch. The complete order- and article-numbers must be stated on mailing-notices, way-bills, parcel-labels, delivery-notes and invoices. The VAT-ID No. of the supplier must be apparent. Delivery-notes and invoices are to be issued in duplicate and must contain the delivery-note numbers and invoice numbers, as appropriate. Supplies without adequate accompanying documents will be held back in the handling- and payment process until clarification; until the matter is put right by the supplier, the supplies will be stored in our premises, exclusively at the cost and risk of the supplier. Time-periods for grant of a discount commence on correction of the accompanying documents. The supplier is exclusively liable for all losses and costs which arise due to faulty compliance with, or non-observance of, these conditions.

VII.
Time of Delivery and Supply:

1. Dates and time-periods which are agreed are binding. Our receipt of the goods or of the act of performance (of the services or work) shall be decisive for the purpose of establishing whether the delivery-date or the period for supply has been complied with. The supplier is obliged to notify us in writing without delay if circumstances arise or become apparent which give reason to believe that the agreed delivery-time or time of supply cannot be met. This notification does not release the supplier from the supplier's liability for delay.
2. The supplier can only make the assertion that an act of performance has been hindered due to the lack of necessary documents or information which were to be made available by us or because materials which were to be provided by us were missing, if the supplier has requested delivery of these documents, this information or, as appropriate, this material from us in writing and – insofar as we are under an obligation to supply them - has not received them within a reasonable period.
3. Supplies which are made too early do not affect the due time for payment which was agreed. Partial-supplies will only be accepted, if this has been expressly agreed. The remaining supply which is still outstanding is to be specified in the delivery documents. If partial-supplies were not agreed, then the agreed due time for payment shall begin to be calculated from the day complete delivery takes place, at the earliest.
4. The supplier falls into delay with delivery as soon as the relevant delivery-date which has been bindingly agreed is passed, even without issue of a notice of default.
5. Acceptance of a supply does not represent a waiver of claims to damages for delay in delivery.

VIII.
Guarantee Rights, Liability:

1. We accept goods delivered subject to our right to examine them for freedom from defects. We satisfy our duty of examination and our duty to complain of any obvious defects in the supply/service if we send off an objection regarding defects within 10 working days from receipt of the supply. To the extent that the proper conduct of business affairs does not make it possible to undertake an examination of the supply/service within that period, we will notify obvious defects to the supplier without delay after examination takes place and after the relevant defect is discovered. To this extent, the supplier waives its right to allege that the objection regarding defects has been submitted late.
2. If there are substantive defects in the supply/service of the supplier, then, unless otherwise agreed, we are entitled to assert the statutory liability for substantive defects within 24 months from delivery of our product to our customer, such product having been manufactured using the article delivered by, or act of performance from, the supplier, but for a maximum period of 36 months from delivery to us, or acceptance by us, of the items supplied. If, in respect of certain items or rights acquired by us or in respect of products manufactured by us using items supplied, longer limitation periods are provided for by statute, then these limitation periods shall be deemed to be agreed, also in relation to the supplier.
3. To the extent that we are entitled to a statutory claim to subsequent performance, then, at our choice, the supplier shall either remove the defect or deliver a thing free of defects. The provision of § 439(iii) German Civil Code (BGB) remains unaffected hereby. If additional costs are incurred due to the fact that, after the supply to us, we have brought the defective thing to another place, then these additional costs shall be borne by the supplier if such transportation accords with the proper use of the thing.
4. To the extent that the examination of the goods delivered is carried out on a spot-check basis as agreed, then, if a defect is found, we are entitled to make claims for subsequent performance with regard to the whole supply.

5. If subsequent performance is unsuccessful or if the supplier refuses the type of subsequent performance selected, then we have the following options: we can withdraw from the contract concluded; we can claim a reduction in the remuneration claimed from us; or, if the supplier does not prove that the supplier is not to blame for the defects, we can claim damages in lieu of performance. The same applies, if the subsequent performance by the supplier is unacceptable for us. This is the case, in particular, if, despite having received a request to remove the defects, the supplier does not discharge his duty without delay and acute dangers or greater losses threaten to occur. In these cases, after consultation with the supplier and, if such consultation is refused by the supplier, according to our own, independent decision, we are also entitled to carry out the work which is required to remove the defects ourselves or to arrange for such work to be done by third parties at the cost of the supplier. This applies, in particular, if greater losses – in particular, claims by our customers for delay - can only be avoided by a removal of the defects by us or by third parties instructed by us. We will inform the supplier about this. Statutory claims which go beyond this – as, for example, claims for reimbursement of expenses – remain unaffected.
6. The running of the limitation periods is interrupted for the duration of the supplier's attempts at subsequent performance. Interruption of the limitation periods commences at the time when our notice regarding defects is given. Interruption of the limitation period first ends at the time when the item to be supplied is usable without defects and then still runs for at least another three months.
7. If we take back from our customers the thing sold to them because the relevant item is defective, such defect having been caused by a supply/service of the supplier, or if our customer reduces the remuneration agreed, then we are entitled to exercise the rights specified in § 437 BGB against the supplier, without the need to set a time-period. Therefore, we can withdraw from the contract, we can reduce the remuneration agreed or, in the event that the supplier does not prove that the supplier was not to blame, we can demand damages in lieu of performance. If, in relation to our customer, as a result of the defectiveness of our product - such defectiveness having been caused by a supply/service of the supplier -, we had to reimburse expenses, then we can demand that we be compensated for such costs by the supplier. § 479 BGB shall apply in respect of the limitation of these claims to recourse.
8. If a substantive defect becomes apparent within six months from transition of risk, then it shall be presumed that the thing was already defective at the time of transition of risk, unless this presumption is incompatible with the type of thing or the type of defect. In cases in which recourse is taken against the supplier, this presumption shall apply subject to the proviso that the time-period shall commence on transition of risk to the final customer.
9. If the supply/service of the supplier received by us is affected by legal defects, then the supplier shall keep us indemnified against possible claims from third parties. The limitation period for legal defects is ten years from delivery.
10. In principle, the supplier is liable to us for damages on an unlimited basis for all types of blameworthy breach of obligation, regardless of whether direct or indirect loss, financial loss or other items of loss are being claimed. The limitation period for claims for damages due to defects is 24 months from delivery of our product to our customer, such product having been manufactured using the article delivered by, or act of performance from, the supplier, but for a maximum period of 36 months from delivery to us, or acceptance by us, of the items supplied. If longer limitation periods are prescribed by statute, then the relevant longer period applies. If, in respect of products manufactured by us using items supplied, longer limitation periods are provided for by statute, then these longer limitation periods shall be deemed to be agreed, also in relation to the supplier. In addition, the supplier is liable under the Product Liability Act.
11. If claims are made against us for infringement of national-, foreign- or official safety-regulations or product-liability rules or with regard to defects in our products which have been caused by supplies made by, or acts of performance of, the supplier, then we can demand compensation from the supplier for the losses caused by the supplier's products and we can demand that the supplier indemnifies us against relevant claims by third parties. However, in cases where liability is dependent on blame, this only applies if the supplier was to blame. If the cause of the loss lies in the area of responsibility of the supplier, then, to that extent, the supplier bears the burden of proof.
12. The costs which are to be reimbursed also include the costs of any recall-campaign which may be necessary, as well as the necessary costs of legal action. The supplier will be informed of the content and extent of the recall-campaign which is to take place. The supplier is obliged to conclude a manufacturer's public liability insurance for its liability as manufacturer of the items to be supplied.

IX.

Rights of Rescission in the Event of Force Majeure:

If, as a result of events of force majeure, labour disputes, inculpable business disturbances, civil unrest, official measures or other unavoidable events which occur after conclusion of the contract, there is a significant drop in demand for the goods ordered without blame on our part, then, to the extent that the events in question are not of insignificant duration, we can withdraw from the contract in full or in part or demand performance at a later time, without the supplier being entitled to make any claims in respect thereof against us.

X.

Acceptance:

1. If, within the framework of the relevant order, the formal acceptance of the act of performance of the supplier is owed by us, then, in the event that the act of performance is performed in accordance with the contract, we will declare in writing that the supplier has fulfilled its contractual obligations.
2. A fictitious acceptance is excluded. There is no right to demand that partial acceptances take place.

XI.

Protective Rights:

1. The supplier guarantees that, in connection with the supply/service by the supplier, no third party rights will be infringed.
2. If a third party makes claims against us for alleged infringement of protective rights, then the supplier is obliged to indemnify us against such claims. The duty of indemnity applies to all expenses which necessarily arise due to, or in connection with, the claim by a third party.
3. If the supplier already owns commercial protective rights to the supplies or services ordered or with regard to processes for their manufacture, then these are to be notified to us on request, the relevant registration number to be stated. We are granted a non-exclusive right of use thereof, such right being of unlimited duration and free of charge.

XII.

Spare Parts:

1. The supplier undertakes to supply spare parts in respect of the items supplied for the expected period of technical use of such items, but at least for a period of ten years after delivery. The supplier undertakes that such spare parts will be supplied at reasonable prices and on the conditions applicable to the underlying order.
2. If, after this period expires, the supplier discontinues supply of spare parts, then the supplier must inform us accordingly and give us the opportunity to make a final order. If agreement on the terms of the order, or regarding the price, is not reached or if the supplier discontinues supply of spare parts without notice, then, if we so demand, the supplier is obliged to hand out to us the documents required for production of the spare parts without delay. We are entitled to use the documents free of charge.

XIII.

CE-Conformity Declaration / Declaration of the Manufacturer/Certificates:

The items supplied must fulfil all legal provisions, directives and norms relating to the relevant merchandise and must be delivered with the prescribed certificates and confirmations. If a declaration of the manufacturer or a declaration of conformity (CE) is necessary for the goods, the supplier must prepare it and must make it available on demand, without delay and at the supplier's own cost. If the goods/parts delivered are subject to export restrictions, the supplier must notify us of this before conclusion of the relevant individual contract for delivery.

XIV.
Maintenance of secrecy:

1. The supplier and we ("the parties") undertake as follows:
 - that, during the period of the contract, the parties will keep secret all information which will become accessible to them in connection with the contract, which is described as confidential or which, for other reasons, is recognisable as constituting a business- or company secret, above all technical- and commercial information; and
 - that, during the period of the contract, the abovementioned information will not be recorded, passed on to third parties or used by the parties in any way, except insofar as express written consent thereto has been obtained beforehand or except insofar as any such conduct is necessary in order to achieve the purpose of the contract.

This obligation to maintain secrecy shall remain in force for another five years after the contract has been completely performed or has come to an end.

2. The following information is excepted herefrom:
 - information which was already known to a party before the contractual negotiations commenced or which was notified to a party by third parties as not being confidential, provided that those third parties are, in turn, not in breach of any obligations of confidentiality;
 - information which has been developed by each of the parties independently of the other, respectively;
 - information which is, or will become, public knowledge without the blame or involvement of the parties; or
 - information regarding which there is a statutory duty of disclosure or which must be disclosed due to an order from a public authority or court.
3. In the case last mentioned above, the disclosing party is obliged to inform the other party without delay before disclosure. Statutory duties of confidentiality which go beyond those referred to above remain unaffected.
4. For every case of blameworthy infringement by the supplier of this obligation to maintain secrecy, we are entitled to claim a liquidated lump-sum in damages amounting to EUR 10,000.-- (in words: Ten Thousand Euros); it is open to the supplier to show that we have not incurred any loss or that the loss incurred by us is smaller. If the evidence presented is satisfactory, then we are only entitled to claim compensation for the loss which has actually arisen.
5. We reserve to ourselves the right to claim an amount of loss which is verifiably higher, either instead of the liquidated lump-sum or in addition thereto.

XV.
Final Provisions:

1. The place of performance and exclusive legal venue for all disputes between the parties arising out of the contractual relationship is D-72800 Eningen. By way of exception hereto, we are also entitled to issue proceedings against the supplier at the supplier's general legal venue.
2. If a provision of these General Conditions of Purchase should be or become ineffective or if, within the framework of other agreements, a provision hereof should be or become ineffective, then the effectiveness of all other provisions or agreements shall not be affected thereby.
3. The language of the contract is German. If, beside that language, another language is used by the parties, then the German text shall take priority in accordance with the agreement.
4. The contractual and other legal relations between ourselves and the supplier are governed by German law, to the exclusion of the law relating to the international sale of goods as enacted by the United Nations.