

General Purchasing Terms and Conditions of GMDS Germany GmbH

§ 1 Orders

Our orders are exclusively subject to these General Purchasing Terms and Conditions. Contradictory or deviating conditions of the supplier are not recognised. Exclusively written orders are legally binding. Orders submitted personally or by telephone are not binding until confirmed in writing. This also applies to contractual amendments.

Our orders must be confirmed as legally binding immediately upon receipt by the supplier on the form enclosed. If the supplier does not accept our orders within a period of three working days, we are no longer bound to our order.

These General Purchasing Terms and Conditions also apply to all future business with the supplier.

§ 2 Prices

The agreed prices are fixed prices and include shipment and packaging, unless otherwise agreed. The prices are subject to the applicable value added tax. They may not be increased by the supplier without prior written authorisation. If there is a reduction in price on the market prior to delivery, then the agreed prices will be binding. At our request, new prices will be negotiated.

§ 3 Delivery dates

The agreed delivery dates are firm dates. We must be notified of any delays in supply within 3 days of occurrence, including the reason. Should the agreed delivery dates not be met, we will be entitled to withdraw from the contract subsequent to a warning and expiration of a reasonable grace period, independently of our right to submit further claims.

§ 4 Force majeure and labour disputes

If we are prevented from meeting our acceptance obligations due to the occurrence of unforeseeable and extraordinary circumstances, which we cannot prevent despite due care in consideration of the situation - e.g. operational disruption, government intervention, delays in the delivery of critical raw materials and building materials, strikes or lock-outs - we reserve the right to withdraw from the contract in whole or in part. The supplier will be notified of the occurrence of such circumstances affecting us without delay. This will not serve as a basis for any compensation or withdrawal rights on the part of the supplier.

§ 5 Shipment and transfer of risk

The supplier is solely responsible for compliance with the stipulated shipment regulations. Invoices must be sent to us on the date of delivery. They must list our order number and the key features and wording of our order text. The supplier also carries the shipment risk through to the point of orderly receipt of the goods by our plant.

§ 6 Payment

Unless otherwise agreed, we will pay at our discretion within
14 days of receipt of the goods with a 3% discount
30 days of receipt of the goods net

We reserve the right in exceptional cases to pay with promissory notes for which we will pay the discount charges. Our right to submit a claim and the suppliers guarantee obligation are not altered by payments already made. Assignment of the right to payment for the goods to a third party requires our authorisation. The offsetting of claims against any counter claims of the supplier, and withholding of payments is only permissible if the counter claims have been legally established or are undisputed by us.

§ 7 Claims regarding defects and guarantee

The goods to be delivered must be manufactured with appropriate and flawless materials, with the agreed or industry standard features, in accordance with our stipulations, as well as statutory or recognised trade regulations. The values established by our incoming goods control are binding with regard to measurement, quantity, weight and quality. The supplier waives the right to object on the basis of delayed defect claims.

We are entitled to complete statutory guarantee rights. Independently of this, the supplier provides a guarantee for 24 months after the transfer of risk, to ensure that the goods have no defects of any kind and do have the assured features. In the event of defects, we shall set the supplier a reasonable

period of grace for rectification thereof. We shall unreservedly have the option right under § 439 of the German Civil Code (rectification of the defect or delivery of flawless goods). Should the supplier fail to meet his obligation to provide an immediate replacement, or to execute the necessary repairs without delay, we are then entitled, subsequent to an appropriate grace period and at the expense of the supplier, to carry out the repairs or commission a third party to do so. If such efforts are without success we reserve the right to withdraw from the contract in accordance with § 323 of the German Civil Code, independently of our right to exercise any further claims. Technical equipment will be subject to legislation regarding such (GtA). If there is reason to believe that GtA stipulations have not been met, or that significant danger is associated with even the proper use of technical equipment, we can demand documentary evidence of compliance with legislation from our supplier (manufacturer or importer). Such evidence is particularly given in the form of a certification or inspection mark issued by an inspection office listed in the GtA directory.

If the supplier of a delivered technical resource is subject to a binding restraining order under § 5 GtA, we can then demand that, at his discretion, safety defaults are rectified or the technical equipment exchanged or returned. Our demand is excluded if one month has passed since the supplier advised us of the binding restraining order.

§ 8 Proprietary rights (also regarding enquiries)

The supplier is obliged to exempt us from all claims that could result from the infringement of commercial proprietary rights, copyright or other third party rights.

The supplier commits to using all documentation that we provide in association with an enquiry or order exclusively for the purpose of answering such enquiry or fulfilling such an order. Even in the future, any related original parts, tools, samples, drawings and suchlike may not be made available to third parties, or reproduced, exploited, or used in any manner contrary to the contract. The supplier is liable for all direct and indirect damage that is incurred as a result of such a violation.

§ 9 Recourse Right

Our recourse right against the supplier in accordance with § 478 of the German Civil Code may only be eliminated by agreement for the supplier of an written agreement has been reached between us and the supplier which governs the equivalent compensation.

§ 10 Manufacturer's liability

If we are the subject of a claim related to manufacturer's liability regarding an item delivered by the supplier, the supplier must exempt us from all resulting manufacturer's liability.

§ 11 Reservation of ownership

On delivery of the goods the supplier waives any reservation of ownership stipulated in his General Terms and Conditions. Furthermore, the goods ordered by us must be delivered without third party rights.

Insofar as we order parts from the supplier, we reserve ownership rights to such. Processing or restructuring by the supplier are carried out on our behalf. In the event of processing or combination, we acquire co-ownership in the new item in the ratio of the value of our item to the other processed objects at the time of processing.

Drawings, tools, forms, models and other documents that we make available or purchase for the execution of an order, remain or become our property. The supplier is liable for any loss or damage regarding such through to the proper return, which is due on completion of the order without separate request.

§ 12 Place of performance and jurisdiction, applicable law

Place of performance and jurisdiction is the location of our company. However, we expressly reserve the right to sue at the company or home location of the supplier. This contract is subject to the law of the Federal Republic of Germany. Standard UN purchasing rights are excluded.

§ 13 Precautionary clause

If one or more of the provisions listed be or become in valid due to statutory regulations, this will not affect the remainder of the provisions.