

# Purchasing terms and conditions of Helmut Kreutz GmbH, Haiger-Langenaubach

## § 1 General

These purchasing terms and conditions shall apply exclusively; any contradictory or deviating terms and conditions of the supplier shall not be recognised by us unless we have expressly confirmed their applicability in writing. These purchasing terms and conditions shall also apply to all future business with the supplier. Individual agreements made with the supplier on an individual basis take precedence over these general purchasing terms and conditions. The language of the contract is German. German law applies exclusively to this contract to the exclusion of the UN Convention on Contracts for the International Sale of Goods. The place of jurisdiction for any disputes arising from this contract is the location of Helmut Kreutz GmbH's registered office, if the supplier is a registered trader, a legal person under public law or a special asset under public law. The same shall apply if the supplier does not have a general place of jurisdiction in Germany, if the supplier relocates its registered office abroad after having concluded this contract or if the supplier's general place of jurisdiction is not known at the time of commencement of proceedings.

## § 2 Orders

Deliveries for which there is no order in writing shall not be acknowledged. The supplier has to advise us of any obvious errors (e.g. spelling mistakes and miscalculations) and incompleteness of the order including the order documents for the purpose of correction or completion before acceptance.

## § 3 Duty to inform

The supplier has a duty to inform us in good time before any changes in manufacturing processes, materials or bought-in parts for products or services, the relocation of production sites, any changes in any material inspection processes or facilities or other quality assurance measures so that it can be checked whether the changes might have a negative impact on the product.

## § 4 Duty to maintain secrecy

All of the documents provided by us including drawings, sketches and samples remain the sole property of Helmut Kreutz GmbH. The supplier assures that it shall not make these accessible to third parties, that it shall use the documents and samples solely for the purpose of fulfilling this order, that it shall not copy the documents, that it shall handle and store the documents and samples with care and that it shall return them in full upon completion.

## § 5 Transfer of risk, place of fulfilment

The supplier bears the risk until the goods arrive at the place of delivery specified by us in the order. The risk is therefore not transferred to us until handover of the goods at the place of delivery. The delivery shall be made in Germany at the place specified in the order. The respective destination is also the place of fulfilment. If no place of fulfilment has been expressly agreed, the place of fulfilment shall be our company's registered office.

## § 6 Retention of title

Ownership shall be transferred to us immediately upon handover of the goods. We do not recognise any retention of title by the supplier.

## § 7 Pricing

The price stated in the order is binding. Unless otherwise is agreed on an individual basis, the price includes all of the supplier's services and additional services as well as any additional costs (e.g. packaging that meets regulatory requirements and transport costs including any possible transport and liability insurance). The supplier has to take back packaging material upon our request.

## § 8 Partial deliveries, short and over deliveries

Partial deliveries do not represent fulfilment, unless we have given our consent to these. Acceptance of a partial delivery shall not constitute any such consent. In the event of a short delivery of no more than 5 %, we have the right to accept the delivery and to cancel the remainder of the delivery that is missing. We reserve the right to return over deliveries at the cost of the supplier.

## § 9 Delivery date

The delivery date stated by us in the order is binding. The supplier undertakes to meet the agreed delivery date. As soon the supplier is aware that a delivery might be late, it must inform us stating the reasons and the length of time by which the delivery is likely to be late. If the supplier is unable to meet the agreed delivery dates, for whatever reason, we shall be entitled, notwithstanding further statutory rights, to withdraw from the contract and procure a replacement for a third party and/or to demand compensation for non-performance. We do not need to set a final delivery date with the threat of refusal to accept delivery. The supplier has to refund any additional costs incurred due to late delivery or performance. The acceptance of a late delivery or performance does not mean that any right to compensation is waived.

## § 10 Origin of goods, preferences, regulations relating to the international movement of goods

The supplier must present a long-time supplier declaration for all items it supplies in which it confirms the status of the goods with regard to their preferential origin. The supplier shall assume liability if it fails to meet this obligation or for any damages incurred as a result of any incorrectly issued declarations. The supplier undertakes to check whether its products are subject, in relation to the international movement of goods, to any prohibitions, restrictions and / or mandatory approvals and where relevant to identify these with comprehensible information in its offers, order confirmations and all documents accompanying the goods accordingly and without any doubt. If the supplier fails to comply with this obligation, it shall assume liability for any damages incurred by us, including additional charges relating to foreign import duties, fines and the like.

## § 11 Warranty

With regard to defects in quality and in title concerning the products (including wrong and short delivery, incorrect assembly and poor assembly, operating or user instructions) and other breaches of duty by the supplier, the legal regulations shall apply unless otherwise is agreed below. The legal regulations (§§ 377, 381 of the German Commercial Code [HGB]) shall apply to the commercial duties of inspection and notification, subject to the following conditions: The duty of inspection is limited to defects which become apparent under external examination at our goods--in inspection including the delivery paperwork and in the sampling procedure at our quality control (e.g. transport damage, wrong and short delivery). If acceptance is agreed, there is no duty of inspection. For the rest it depends to what extent an inspection is appropriate in accordance with the normal course of business taking into account the circumstances of the individual case. The duty to notify defects which are discovered later remains unaffected. In all cases, notification (of defect) is considered to have been provided without delay and in a timely manner if it is received by the supplier within two weeks.

## § 12 Legal regulations

The supplier shall take into consideration generally accepted engineering standards and official regulations. On the date of delivery the goods must meet all applicable legal and official regulations, including the German Appliances Safety Act (Gerätesicherheitsgesetz), environmental-protection regulations and accident-prevention regulations. If hazardous substances in terms of the German Hazardous Substances Ordinance (Hazardous Substances Ordinance) or products whose use might involve the release of such substances are supplied, the supplier must provide without being asked the data required to issue the EC safety data sheet (§14 of the German Hazardous Substances Ordinance [GefStoffV]).

## § 13 Product liability

The supplier shall indemnify us against all claims relating to non-contractual product liability which are attributable to a defect in the product it has supplied. The supplier shall also assume liability for damages incurred by us as a result of appropriate precautionary measures against a claim relating to non-contractual liability which is attributable to the supplier. The supplier must take out adequate insurance for claims made against it relating to product liability and provide proof of this upon request by way of presenting an insurance policy.

## § 14 Property rights

In the event of a culpable breach of industrial property rights, the supplier shall discharge us and our customers from claims by third parties relating to breaches of copyrights, trademarks and patents, if we did not design the item.

## § 15 Environmental protection

We have an integrated energy and environment management system. We therefore also expect that our customers deliver only energy-saving and environmentally-friendly products.

## § 16 Salvatorius clause

If one of the above agreed clauses should be ineffective in whole or in part, the effectiveness of the remaining purchasing terms and conditions shall not be affected by this. The parties agree that any such ineffective clause shall be replaced by an effective clause which is as close as possible to the meaning of the ineffective clause.