

## General Terms and Conditions of Purchase for Deliveries and Work Performance (Status November 2014)

### 1. General

1.1 Provided that nothing else has been expressly agreed upon, all our orders and all present and future legal relationships and transactions between us and our contractual partner are governed exclusively by the following conditions.

Any terms and conditions of purchase of our customer, which entirely or partially oppose our terms and conditions or which oppose legal regulations, shall be hereby explicitly rejected. Neither do they become a part of the contract if we accept the delivery or work performance in the knowledge of opposing conditions. If our terms and conditions were not given to our contractual partner with the order or handed over on another occasion, they shall nevertheless apply if the customer knows them or should know of them from a former business relationship.

1.2 Our GTC only apply to contractors, corporate bodies regulated by public law or fund assets governed by public law in the meaning of § 310 Abs. 1

1.3 Orders are only binding if and insofar as they are confirmed in writing by us. Verbal ancillary agreements are deemed not to exist.

1.4 Furthermore, German law shall be solely applicable to the contractual relationship. The application of the UN Convention on Contracts for the International Sale of Goods shall be ruled out.

### 2. Scope of order and prices

2.1 We retain the right to reduce or extend the scope of the order and to require changes to the design of the plant and machinery, in particular based on new technical knowledge, in so far as this offers an advantageous result, and we also reserve the right to require changes to the time and place of delivery or installation of plant and machinery, without our contractual partner being entitled to raise claims for damages against us. If such changes result in demonstrably necessary price increases and/or delays in delivery, suitable extra payment shall be negotiated.

2.2 The prices given in our order are maximum prices and remain binding even if price increases occur in the intervening period. However, if our contractual partner reduces his prices before the delivery date, such reductions shall be passed on to us.

### 3. Deliveries and delivery deadlines

3.1 The delivery date specified by us is understood to be the arrival or completion date.

Agreed delivery dates are binding, unless force majeure occurs.

3.2 If in the case of movable items, the supplier does not fulfil the agreed delivery date, or if manufacture and installation and also commissioning of immovable items such as machinery to be permanently installed, complete machines and manufacturing plant and equipment are not delivered on the agreed date, our contractual partner promises to pay a contractual penalty of at least 2% of the net order value for each week of delay, however at the most 10% of the order value. In addition, our contractual partner is liable for damage accruing to us through his fault because of production bottlenecks, refused orders and loss of pay or revenue. We are also entitled to withdraw from the contract immediately if the delivery date is exceeded.

### 4. Dispatch and bearing of risk

4.1 Delivery must be made to the address stated in the order.

4.2 Our contractual partner bears responsibility for exact observance of the despatch rules conveyed to him. We are entitled to refuse to accept consignments if legally compliant freight documents are not available to us on the day when goods or services are received; however this does not mean that we are guilty of non-acceptance or delay in acceptance. The costs for justified non-acceptance shall be borne by our contractual partner.

4.3 Our contractual partner bears the risk of accidental destruction or accidental deterioration of the goods up to the time of transfer to us or acceptance of the goods or services. This also applies if delivery ex-works applies in the individual case or if we undertake transportation at our own expense in the individual case.

4.4 All performance is carriage paid up to the stated consignment address including packaging if no specific arrangements are made to the contrary in writing in the individual case. We only return packaging material or take over packaging costs if this is expressly stated by us in writing or if it is a legal requirement.

4.5 Our contractual partner is only deemed to have fulfilled his supply obligations upon transfer or acceptance of goods and/or services to or by us in so far as no written agreement exists to the contrary. The values determined at our factory are decisive as regards quantities and weights.

4.6 In the case of demonstrable operational disturbances, hindrances or other disturbances based on force majeure in our factories to be supplied, we are freed from the duty of timely acceptance of the goods or services ordered, and for payment for them, for the duration of said disturbances, without our contractual partner having the right to claim compensation for damages.

### 5. Building construction and work orders

5.1 In the case of orders for building construction, in addition to the separately concluded construction contract with list of performance and technical rules, standards and regulations, the "Verdingungsordnung für Bauleistungen" (German Construction Contract Procedures - VOB), Parts B and C, shall apply in the version that is valid at the time of submission of the offer.

5.2 In addition, the following applies to performance of assembly, repair and other work: our contractual partner bears liability in execution of all work, including of work executed by its representatives, with regard to ensuring that accident, fire prevention and occupational health and safety rules, in particular those that apply to our factory, are observed.

5.3 Our contractual partner is liable for all damages that are caused on our premises by him or his representatives. Above all he releases us from all claims for damages by third parties, including instructions or regulations of supervisory bodies etc., which are raised against us in connection with the delivery of goods or services contractually due to us. Upon request he must demonstrate that possible liabilities are covered by means of suitable and sufficient third-party liability insurance.

5.4 Our contractual partner as well as his representatives must ensure that any property brought by them into our premises is kept carefully and securely. We shall not be liable for damage to such property or its theft or disappearance in so far as this is legally permissible.

5.5 In the case of building construction orders in the sense of §§ 48ff EStG (German Income Tax Act), we are entitled to retain the legally stipulated amount also if we have doubts regarding the validity of a certificate of indemnity. We are entitled to make enquiries of the tax authorities for this purpose. Our contractual partner releases us from all liability as regards the tax authorities in this connection.

### 6. Patents and protective rights

6.1 Our contractual partner guarantees that no patent or other industrial property rights are infringed by the objects supplied by him.

6.2 Our contractual partner releases us from all obligation, liability, loss and compensation claims, including costs and expenses, which result from a claim or from legal conflicts due to infringement of patents or any other industrial property rights. If such claims are made against us, our contractual partner shall undertake our legal defence at his own expense and shall release us internally, i.e. within our relationship, from all claims of third parties, regardless of what kind. If such claims should be raised against us, we will inform our contractual partner without delay in writing and shall provide him with the necessary information at his expense.

### 7. Drawings and models

7.1 Drawings, models, documents and similar which we pay for or provide for performance of an order, remain or become our property. Our contractual partner is liable for any loss or damage incurred or for unauthorised use until they are returned to us in their entirety in a proper manner.

7.2 After conclusion of the order, the aforementioned objects must be returned to us without the need for special request.

7.3 If tools are required for special components, they may only be used for our orders. This also applies for tools manufactured for us by our contractual partner that we pay for. Our contractual partner has the duty to insure the tools against damage and loss.

### 8. Assignment and offsetting

8.1 Our contractual partner is only permitted to assign claims against us to third parties with our explicit written permission: this also applies for assignment within the framework of a factoring contract. If assignment is undertaken without our permission, we shall be entitled to withdraw from the contract.

Our contractual partner is not entitled to offset any claims of his own against our claims, unless the claims in question are undisputed by us or have been legally established against us.

### 9. Warranty

9.1 Our contractual partner warrants that the objects of the contract comply with the contractually agreed quality. The objects of the contract must also correspond to the legal accident prevention regulations, the Equipment Safety Act and the valid relevant legal regulations of the European Union that apply in the Federal Republic of Germany.

The objects of the contract must be in perfect condition and must be free from any fees, liens or other burdens when supplied or installed, they may not exceed the stated consumption and must provide the agreed performance.

9.2 If manufacture and/or installation of a machine, an item of equipment or a complete plant is performed according to a separately agreed plan or a special request, our contractual partner warrants that the object of the contract fulfils its purpose as intended by us.

9.3 In the case of supply of raw or auxiliary materials, the contractual partner warrants that the goods supplied correspond to the contractually agreed quality and usability, and that in addition they comply with the relevant DIN standards and the legal regulations and any regulations issued by specific public bodies regarding their sale and their use and that they do not infringe the rights of third parties.

9.4 The warranty of our contractual partner extends to the parts manufactured by his sub-suppliers or to goods supplied by sub-suppliers.

9.5 Our obligation to examine the goods and to issue complaints in the case of movable items and raw or auxiliary materials only begins when the goods supplied or the machine etc. has entered or been installed in our factory and has been transferred to us in an operational state. The time allowed for inspection and complaint which runs from this time is at least one month.

9.6 In the case of immovable items such as permanently installed machinery and plant, it is necessary for us to carry out an acceptance procedure. We are only obliged to do this after the machinery or plant has been correctly installed, set-up and is ready for operation.

9.7 All changes undertaken by our contractual partner to the goods or services ordered by ourselves with regard to information, illustrations or drawings etc., measurements, designs, processing, material and technical characteristics supplied by him represent defective delivery or manufacture of the object of the contract. In such cases we are not obliged to approve the changes or accept the goods or services in question.

9.8 In case of defects, we are entitled to require repair or replacement by defect-free contractual products or services, from our contractual partner at our discretion. Prior to transfer we are entitled to reject defective contractual goods or services. If the contractual goods or services have already been transferred we are entitled to place the defective goods ready for collection and store them at the expense of our contractual partner if we require subsequent supply of defect-free contractual goods or services.

9.9 If repair or replacement is not possible or not possible in time, if it is unsuccessful or is not reasonable, for example due to urgency, we can, at our discretion, require a reduction in price, that the goods are taken back by the supplier and/or compensation for damages. We are also entitled to undertake the repair ourselves at the expense of our contractual partner. If, in the case of supply of raw or auxiliary materials, the defects are only identified following further processing, our contractual partner shall be liable to us for any resulting damages.

9.10 The warranty period for delivery of goods amounts to 24 months, starting as from transfer to us or acceptance in our factory. If it is necessary to carry out modifications or to install items or fittings in our buildings when items are delivered, the warranty period amounts to 5 years as from acceptance, in the same way as construction work.

### 10. Insolvency

Our contractual partner must inform us immediately if he ceases payments or a third party has applied to open insolvency proceedings with regard to his assets or such insolvency proceedings have been opened. In case of cessation of payment, application for opening of insolvency proceedings or opening of insolvency proceedings, we are entitled to withdraw from the contract.

### 11. Retention of title

11.1 We only accept retention of title for the unchanged/unmixed good on the part of our contractual partner; the property is already transferred to us upon payment of the invoice relating to the contractual goods or services, even if we have justifiably deducted amounts from the invoice in accordance with the provisions of this contract. Retention of title on the part of our contractual partner in other form is expressly rejected.

11.2 Material that we provide for execution of our orders remains our property. It must be expressly marked as our property by our contractual partner immediately after acceptance and must be kept separately from other identical or similar material. It may only be used within the framework of the intended manufacturing and may not be used in any other way or for any other purpose whatsoever.

11.3 When our material is processed, ownership of the new item is transferred to us.

If our material is processed along with other goods which do not belong to us, we are entitled to joint ownership of the new item in the relation of the value of the goods subject to our retention of title to the value of the other processed goods at the time of the processing. If the goods provided by us are mixed or mingled with other goods, we are entitled to joint ownership in the amount of the relation of the value that the goods subject to our retention of title would have had at the time of the mixing.

11.4 Our contractual party has the duty to inform us immediately if third parties are to access the goods belonging to us, for example in the form of seizure or any other restriction of our ownership.

11.5 Our contractual partner has the duty to insure the goods belonging to us against all risks at his expense.

11.6 Complaints regarding material provided by us must be made immediately when the material is transferred from the carrier.

### 12. Payments

12.1 Our payments are made within 14 days of receipt of the consignment or receipt of invoice with 3 % discount, or within 30 days with 2 % discount or within 60 days net.

12.2 In case of complaints we are entitled to retain 3 times the amount of the expected costs of repair or replacement until complete and defect-free supply or manufacture has been effected.

### 13. Data processing

We are entitled to process data received from our contractual partner in connection with our business relationships in accordance with the provisions of Federal data protection law.

### 14. Other provisions

14.1 In so far as provisions have not been included into the contract, the content of the contract as regards these provisions shall be based on the relevant legal rules and regulations.

14.2 The place of fulfilment is the location of our factory for which the goods or services are intended.

14.3 The legal venue for all cases, including all future claims from the business including those arising from bills of exchange, cheques and other documents, if the ordering party is a merchant or, has established the apparent impression in the legal sense that he is a merchant in the sense of HGB (Federal Commercial Code), shall be Nuremberg.