

## General Conditions of Purchase

### A. General provisions

1. Our orders – including future orders – are subject exclusively to these conditions of purchase. The confirmation or execution of the order shall be deemed as acceptance of these conditions of purchase. This shall apply even if the supplier states that it only wants to supply under its own terms and conditions. Other conditions and deviations from these conditions of purchase require our written consent in order to be valid.
2. If special conditions that deviate from these conditions of purchase are agreed for certain orders, these conditions of purchase shall be considered secondary and supplementary to the former.

### B. Orders, order confirmation and the preparation of offers

Orders must be made in writing. Oral agreements are only legally valid if they are confirmed in writing. Orders must be confirmed by the supplier without delay, stating the order number, price, discount, delivery and delivery conditions.

### C. Prices

1. The agreed prices are fixed prices and remain valid until the order has been fully processed. Subsequent increases, regardless of the reason, are excluded. Non-agreed surcharges for import duties and other duties and taxes are in particular excluded.
2. The agreed prices entail carriage-paid delivery, including ancillary costs, packaging costs and freight costs. Where “ex-works deliveries” are agreed, our forwarding instructions are binding. We assume only the costs thereby incurred.

### D. Delivery dates and contractual penalties

1. The stipulated times and deadlines for delivery or for the provision of service shall be adhered to. Delivery is the arrival of the goods at the place of performance. Early (partial) deliveries require our consent.
2. If it becomes evident that the delivery times cannot be met, the supplier shall immediately inform us of the details of this in writing. This shall not affect our rights in any way. In the case of default of delivery, the supplier undertakes to pay a contractual penalty of 1 % of the price of the delivery for each full week of the delay, but not more than a total of 5 % of the price of the delivery. We may reserve the enforcement of the incurred contractual penalty until the final payment. Further claims for delays remain unaffected.
3. By accepting the delayed delivery or service we do not waive further compensation claims.

### E. Forwarding instructions, delivery notes and packaging

1. The shipping documents must include the references stipulated by us. Immediately upon dispatch we are to be sent 2 copies of the delivery note, which must include the exact name, quantity, weight (gross and net), as well as the nature and packaging of the product or the item. If the delivery note for a delivery is not issued on time or if the above information is absent from the shipping papers or delivery note, the goods shall be stored at the cost and at the risk of the supplier until the arrival of the shipping documents or the complete set of required information.
2. All goods must be duly packed and shipped. Where packaging costs are legitimately charged (cf. C.2.), we are to be credited with the amount charged for these purposes upon the return of the packaging material. The supplier undertakes to ship the products that are destined for us in such a way that Deutsche Bahn AG, Deutsche Post AG or the freight forwarder/carrier is not entitled to reject liability for transport damage.

### F. Allocation of risk, cooperation by us

The risk of accidental destruction or accidental deterioration is born by the supplier until delivery of the goods; in case of a service that requires acceptance, the supplier shall bear the risk until the service is accepted by us. Should the supplier not properly fulfil its contractual obligations in connection with the transport (e.g. unloading of the delivery item), it must compensate us for any costs incurred. An early passage of risk does not take place even if we cooperate in the fulfilment of the supplier's obligations; we are only responsible for gross negligence and intent.

### G. Receipt, inspection and examination of the goods

Cases of force majeure, strikes and lockouts shall entitle us to postpone the acceptance accordingly. Acceptance shall – under normal business conditions – take place immediately upon receipt or commissioning, to the extent that the delivery is in compliance with the contract. Statutory provisions that allow for deemed acceptance are excluded. In the case of excess deliveries which exceed the amount customary in the trade, we reserve the right to return the excess goods at the expense of the supplier. Any investigation obligations that we are subject to are limited to the immediate checking of the goods to see if they correspond to the ordered quantity and type, and whether there is any externally visible transport damage or if there are any externally visible defects. To the extent that we are required to immediately report defects, hidden defects may be reported within 2 weeks of their discovery, other defects within 1 week of their discovery.

### H. Payment

1. The payment shall be made – to the exclusion of legal provisions governing earlier due dates, e.g. of instalments – at our discretion either within the last day of the next month with a 3 % discount or net within the last day of the following month, calculated from the date of the receipt of the invoice and the complete receipt of the goods, or in the case of services not before their acceptance. Late payments which are caused by incorrect or incomplete invoice documents nevertheless entitle us to a discount.
2. The date of the receipt of invoice is deemed to be the date of the receipt stamp of the address stipulated in the order. If documentation and/or certificates are included in the scope of delivery, the period of time shall only begin with their handover to us in accordance with the contract. The payment periods shall, however, not begin before the agreed delivery date.
3. Payment shall be made by cash, credit transfer, check or draft, with the discount fees and taxes for draft payments being charged to us. We shall only enter default following a reminder. If we make a payment before the delivery of the goods or services, the supplier undertakes to provide us, at our discretion, with security equal in value to the amount of the payment and/or to assign the item to us. Any advance payments or interim payments do not constitute recognition of the contractual conformity of the performance.

### I. Protective regulations

The supplier undertakes to respect the rules of good engineering practice as well as, in particular, the regulations and guidelines regarding implementation, accident prevention and environmental protection issued by the legislator, regulators, professional associations, the VDI and the VDE.

### J. Material Defects

1. The time limit for reporting material defects (warranty period) starts upon the acceptance of the goods. If commissioning takes place later than the acceptance, the warranty period shall begin on the day of commissioning. The warranty period is 2 years. In the case of a subsequent performance the agreed warranty period shall restart from the point in time of the subsequent performance. Warranty claims become time-barred 6 months after the end of the warranty period.
2. Notwithstanding the provisions on the suspension of expiration, suspension and restarting of time limits, the warranty period and the limitation period shall both be suspended for the duration of any interruption to operations caused by defects.
3. The warranty period and the above-mentioned period of limitation shall not apply where longer statutory limitation periods are applicable, particularly in accordance with Section 438(1) No. 2 (buildings and things used for buildings), Section 479(1) (recourse) and Section 634a(1) No. 2 (construction defects) of the German Civil Code (BGB).
4. The choice between the remedying of a defect and new production is in each case left to our discretion. In urgent cases or if the contractor is in default of performance with regard to the supplementary performance, we shall also be entitled to remedy the defects ourselves, to have them remedied, or to obtain a replacement. We shall determine when an urgent case arises in this sense, exercising all due care and diligence. A remedy is considered to have failed if the first remedy attempt was unsuccessful.

#### **K. Liability**

The supplier shall indemnify us for claims for damages that may be asserted against us because of a defect or failure of a product delivered by the supplier. In addition, the supplier shall indemnify us against all costs and expenses incurred to us in connection with any precautionary measures which may be necessary to avert non-contractual liability under foreign or domestic law (e.g. pursuant to the German Product Liability Law), particularly due to warnings or recalls; however, this shall only apply to the extent that these measures have been caused by a faulty delivery of the supplier. The supplier is otherwise liable in accordance with the statutory provisions (also to an unlimited extent).

#### **L. Intellectual Property Rights**

The supplier is liable for ensuring that the delivery item is free from third party rights. In the event of a breach of intellectual property rights the supplier is obligated, for their period of validity, to compensate us for any damages incurred to us or third parties. In this case we are also entitled to obtain from the owner of such rights (at the expense of the supplier) the necessary authorisation to supply, commission, use, and sell the delivery item.

#### **M. Secrecy, tools, models, drawings and other documents**

1. The supplier is obligated to keep our orders confidential, including all related commercial and technical details. Statements made by us, as well as tools, models, drawings and other documents etc. that are provided by us or made at our expense may only be applied or used for other purposes with our written consent and remain our property and/or become our property following manufacture. The passing of risk takes place analogously to the material order. They are to be insured at no cost to us from the time of the passing of risk to their return to our premises or the place designated by us. All damage incurred to us as a result of these events shall be borne by the supplier. Unless special agreements have been made, tools, models, drawings and other documents including any copies that have been made are to be returned with the final delivery.
2. Acceptance or approval of the drawings and samples provided by the supplier shall not release the supplier from its sole responsibility.

#### **N. Off-setting, transfer of title**

1. We shall be entitled to offset the supplier's claims against us or against the companies in which we directly or indirectly hold a majority share with all claims against the supplier that are due to us or the abovementioned companies. Upon request we shall provide the supplier with a list of these companies. The supplier may only offset our claims with undisputed or judicially determined claims.
2. The ordered items shall automatically become our property upon a deposit being made, even if they have not yet been delivered. In this case the supplier shall keep the goods in storage for us and adequately protect them from natural hazards. To this extent, letter J. of these conditions of purchase shall also apply for the start of the warranty period.

#### **O. Assignment, pledging**

Claims arising from this order may be transferred to third parties, pledged or otherwise disposed of only in the case of mutual agreement. Our agreement for the assignment of the claim shall be deemed to have been granted if the supplier has granted its suppliers an extended retention of title in the ordinary course of business.

#### **P. Procurement of supplies, etc.**

The supplier is fully responsible – even if not at fault – for the procurement of supplies and services needed for the deliveries (full assumption of the procurement risk). The supplier shall be responsible for the supplies and services that it procures in the same way as it is responsible for its own deliveries/services. The providers of the supplies / services are agents of the supplier.

#### **Q. Place of Performance, applicable law and place of jurisdiction**

1. The place of performance for the delivery is the designated destination. If no place of destination is designated, and in the case of payments, the place of performance is the place of our registered office. In addition to these conditions of purchase, German law shall apply. The applicability of the CISG is expressly excluded.
2. The sole place of jurisdiction is Gießen.
3. Should individual provisions of this contract be or become invalid, the validity of the remaining provisions shall not be affected.