

Terms of Purchase and Contract

WEINIG VERTRIEB UND SERVICE GMBH & CO. KG

1. Validity

- 1.1 All orders or contracts (hereinafter "order") entered into by us with regard to the delivery of goods and the provision of services (hereinafter "delivery") are exclusively governed by our Terms of Purchase. Any terms on the part of the vendor/contractor ("supplier") that deviate from or contradict our Terms of Purchase shall not be recognised by us. Our Terms of Purchase are still valid even if we do not object to the inclusion of the conditions of our suppliers, or accept the supplier's delivery without reservation in full knowledge of deviating or contradictory terms of business on the part of the supplier.
- 1.2 Our Terms of Purchase also apply for all future transactions with the supplier. They may be subject to change for future contracts.
- 1.3 All agreements between us and the supplier are to be put down in writing, as are all orders. Any changes, additions or subsidiary agreements before or at the time of the conclusion of the contract require our written consent.
- 1.4 Article 1.3 also applies for agreements made after the conclusion of the contract.
- 1.5 The validity of individual provisions of these Terms of Purchase shall not affect the validity of the remaining provisions.
- 1.6 Our Terms of Purchase are valid only with regard to companies, legal entities or special funds under public law pursuant to § 310 of the German Civil Code.

2. Conclusion and subject of the contract

- 2.1 If the supplier does not confirm acceptance of our order in writing within 2 weeks of the order being submitted, we are entitled to withdraw our order.
- 2.2 We retain the right to request subsequent changes to the contents of the delivery with regard to design and execution, insofar as this is reasonable for the supplier. Any resulting changes to the price and deadline must be agreed by common consent on principles of suitability and fairness.
- 2.3 (Any written correspondence between us and the supplier must always quote the full order and contract numbers, the order date and our reference.)

3. Delivery and assumption of risk

- 3.1 The deadlines stated in the order or otherwise agreed are binding and must be adhered to. The supplier must immediately inform us in writing of any likely delay or non-adherence to the agreed deadlines and periods, stating the reasons and the anticipated duration of the delay.
- 3.2 Partial and early deliveries are only permitted if we have given our express consent for this to happen. This does not affect the agreed due date for payment.
- 3.3 Deliveries can only be made at the agreed times.
- 3.4 In the event of a delay in delivery, we retain the right to demand a contractual penalty of 0.3% of the value of the delivery for each working day of the delay, up to a maximum total of 5% of the value of the delivery, unless the supplier can prove that either no damage was caused, or that the damage was significantly lower than the flat rate. We reserve the right to claim for further damages. A separate reservation upon acceptance is not required in order to enforce the contractual penalty; the claim can be asserted up until the final payment.
- 3.5 The individual deliveries must be accompanied by a delivery note and a packing slip stating our order and contract number. If the supplier fails to ensure this, we shall accept no responsibility for any delay in processing.
- 3.6 The supplier may only withhold the delivery if his counterclaims are uncontested by us or have been upheld by a court of law.
- 3.7 The delivery shall be properly packaged for transport and delivered and rendered at the expense and risk of the supplier to the address provided by us. The risk for accidental loss or accidental damage to the delivery only transfers to us once we have received the delivery at the agreed point of delivery or once the delivery has been accepted, even if we have agreed to bear the freight charges.

4. Confidentiality, documentation and means of production

- 4.1 The supplier is obligated to treat all trade secrets to which he is made privy over the course of the contractual negotiations and the completion of the contract, in particular technical expertise, with complete confidentiality and not to share these with third parties or use them in any way other than as agreed.
- 4.2 We assert our title, copyright and exclusive exploitation right to our documentation (e.g. offers, descriptions, designs etc.) and to the means of production (e.g. models, samples, tools etc.) that we make available. These must not be reproduced or made available to third parties without our express written permission, nor may they be exploited or utilised outside of the context of the business relationship with us – particularly for deliveries to third parties. On request, or in the event that the contract fails to come into effect, these documents and any copies thereof must be immediately returned to us.
- 4.3 The same applies to the objects and products (e.g. drawings, models, forms, production documentation etc.) that the supplier has produced for us as part of our order; these pass into our ownership.
- 4.4 For each individual contravention of points 4.1, 4.2 and 4.3, or a contravention of our title, copyright and exclusive exploitation rights, a contractual penalty of EUR 10,000 shall be incurred, unless the supplier can prove that either no damage was caused, or that the damage was significantly lower than the flat rate. We reserve the right to claim for further damages.
- 4.5 The supplier must insure the means of production provided by us against fire and water damage and theft at his own expense. The supplier has previously transferred all compensation claims arising from this insurance to us; we hereby accept that transfer.

5. Property rights and indemnity

- 5.1 The supplier is liable for ensuring that the delivered items are free from third-party rights and do not contravene any domestic property rights or property rights in the country of destination as stated in the order when used in accordance with the contract.
- 5.2 The supplier is obligated to indemnify us at the first request against the claims of third parties that could be asserted due to a contravention of industrial or other property rights arising from using the items in accordance with the contract.
- 5.3 The supplier's obligation to offer indemnity also extends to all expenses that necessarily result from or are in connection with use by a third party or our customers.

6. Notification of defects and warranty

- 6.1 We are obligated to inspect the delivery for any material defects within a reasonable period of time; we must notify the supplier within a reasonable period of time of defects in the delivery, as soon as these have been identified by us in accordance with the conditions of a proper business process. The notification of defects shall be considered within the proper time limits if it is submitted to the supplier within five working days of the delivery being made or, if a defect only comes to light later, within five days of the defect being discovered. If the delivery is made directly to a third party, the provisions in Clause 1 also apply to third parties.
- 6.2 The supplier must check the quality of the items to be delivered on an ongoing basis. If the test procedure, scope and type have been agreed separately, these also form an integral part of the Terms of Purchase. The technical details and descriptions of the delivered items contained in the supplier's documentation and statements constitute condition specifications pursuant to § 434 of the German Civil Code.
- 6.3 The supplier shall offer a warranty and compensation in accordance with the statutory provisions without any restriction or exclusion of liability on the basis of cause or extent.
- 6.4 The period of limitations for compensation claims is 36 months, notwithstanding and subject to longer statutory periods of limitations, and is calculated from the date of delivery, or the date of acceptance in the case of services rendered. If the delivered item forms part of a system or other service to be supplied by us to a third party (end customer), the warranty obligation period begins, at the earliest, at the time of acceptance by the third party. We shall be happy to confirm this date upon request.
- 6.5 In urgent cases, particularly in order to avert acute danger or to avoid excessive damage, we reserve the right to rectify known defects ourselves at the supplier's expense.

7. Product liability

- 7.1 Insofar as the supplier is responsible for an instance of product damage, he is obligated at the first request to indemnify us against compensation claims from third parties insofar as the cause lies within his area of control and organisation and he is liable vis-à-vis third parties. In this context, the supplier is also obligated to compensate us for all expenses in accordance with §§ 683 and 670 of the German Civil Code and §§ 830, 840 and 426 of the German Civil Code resulting from or in connection with a product recall carried out by us. Wherever possible and reasonable, we shall inform the supplier of the matter and the extent of the recall measure to be carried out and offer him the opportunity to give his opinion. This does not affect other legal claims.
- 7.2 The supplier agrees to take out product liability insurance for an insured sum of EUR 3,000,000 (three million euro) per instance of personal injury/damage to property (lump sum); however, our claims are not limited to this insured sum.

8. Devolution of ownership

Delivered items pass into our ownership at the latest when they are processed or changed. Extended or expanded reservation of ownership shall not be recognised.

9. Prices and payment

- 9.1 The prices for deliveries stated in the order are fixed prices. The prices include free delivery and all packaging, transport and insurance costs, customs charges and all other costs associated with the delivery, unless a different agreement has been expressly made in writing.
- 9.2 The price includes statutory VAT.
- 9.3 Invoices must be submitted in triplicate and must state the order number, commission number and individual item numbers. Unless otherwise agreed in writing, invoices must be submitted in euro and payments made in euro.
- 9.4 Payments shall be made upon proper receipt of the delivery and an auditable invoice that complies with legal requirements, as well as the consignment of all documentation associated with the scope of the delivery. Payments shall be made as follows: within 30 days net, or within 15 days with a 3% discount. We are free to choose the method of payment.
- 9.5 We retain rights of set-off and retention to the full extent of the law. The supplier is only entitled to claim a set-off against our claims if his counterclaims are uncontested by us or have been upheld by a court of law.

10. Place of performance, legal system and place of jurisdiction

- 10.1 Place of performance is Tauberbischofsheim, Germany.
- 10.2 If the supplier is a trader, a legal entity under public law or a special fund under public law, or if the supplier does not have his registered office in Germany, the place of jurisdiction shall be Tauberbischofsheim. However, we retain the right, if we so choose, to bring an action against the supplier under any other general or special jurisdiction.
- 10.3 The contractual relationship is subject to the law of the Federal Republic of Germany. The application of the UN Uniform Law on the International Sale of Goods (Convention of Contracts for the International Sale of Goods) is excluded.