

# General Purchasing Terms and Conditions of the Company KNF Neuberger GmbH

## I. General, scope

1. Our Purchasing Terms and Conditions shall apply exclusively. We shall not recognise any conditions on the part of our Suppliers that contradict, or deviate from, our Purchasing Terms and Conditions, unless we have expressly approved their validity in writing. Our Purchasing Terms and Conditions shall also apply in cases where we have accepted the Supplier's delivery without reservation, while at the same time being aware of conditions on the part of the Supplier that contradict, or deviate from, our own Purchasing Terms and Conditions.
2. All agreements reached between us and the Supplier for the purposes of implementing this agreement shall be laid down in writing in this agreement.
3. Our Purchasing Terms and Conditions shall also apply to all future transactions with the Supplier.

## II. Offer, offer documentation

1. The Supplier must accept our order in writing within one week.
2. We shall retain the property rights and copyright to offers, illustrations, drawings, calculations and other documents; these may not be made accessible to third parties without our express written approval. They may be used only for manufacturing on the basis of our order, and they must be returned to us once the order has been completed, without the need for any reminder. They must be kept confidential with respect to third parties.

## III. Prices, conditions of payment

1. The price specified in the order shall be legally binding. Unless some other written agreement has been made, the price shall cover delivery 'carriage free', including packaging. Packaging will be returned only if special arrangements have been made.
2. We can process invoices only if, in accordance with the information provided in our order, the order number specified there, as well as the identification numbers, are indicated. The Supplier shall be accountable for all consequences of non-compliance with this obligation.
3. Unless some other agreement has been made in writing, we shall pay the purchase price less a 3% discount within 14 days after the receipt of the goods and the invoice, or net within 30 days after receipt of the invoice.
4. We shall be entitled to statutory offsetting and retention rights.

## IV. Delivery time

1. The delivery time as specified in the order shall be legally binding.
2. The Supplier shall be required to notify us immediately in writing if circumstances occur, or become apparent to it, that would make compliance with the required delivery time impossible.
3. We shall be entitled to statutory claims in the event of delivery delays, and in particular we shall be entitled to require compensation for non-performance, once a reasonable supplementary delivery time has been set and has lapsed without performance.

## V. Transfer of risk, documents

1. In the absence of any other agreement in writing, deliveries shall be 'carriage free'.
2. The Supplier shall be required to correctly specify our order number on all dispatch documents and delivery notes. If it fails to do so, processing delays will become unavoidable and we shall not be accountable for such delays.
3. The Supplier shall be responsible for the declaration of product categories in freight documentation in the interests of securing the most favourable rates. Our order will specify precise dispatch requirements, and in particular whether the delivery is to be made to Freiburg im Breisgau or directly to our client. The Supplier shall be responsible for entering into all costs arising out of the non-observance of our requirements, in particular warehousing and demurrage costs.

## VI. Packaging

We retain the right to return packaging charged to us, carriage free, for crediting in our favour.

## VII. Inspection of defects, statutory warranty

1. We undertake to inspect goods for quality and quantity deviations within a reasonable period.
2. If the condition of the goods does not meet the contractual specifications (defects), we shall be entitled to exercise our statutory rights without restriction. In particular, we shall be entitled to require either that the defect be remedied or that a replacement delivery be made (subsequent performance), as we choose. In this event, the Supplier shall be required to bear all the expenses necessary for subsequent performance. We expressly retain the right to claim compensation, in particular compensation for non-performance.
3. The guarantee period shall be 24 months from the time of transfer of risk.

## VIII. Product liability, release, liability insurance protection

1. Where the Supplier is responsible for product damage, it shall be required to release us from third party compensation claims at first request, insofar as the cause lies within its domain and organisational area, and the Supplier itself is liable with respect to outside parties.
2. In this context, the Supplier shall also be required to cover any expenditure under Articles 683 and 670 German Civil Code [BGB] that we incur as a result of, or in connection with, a recall conducted by us. We shall notify the Supplier of the content and extent of recall measures to be conducted – to the extent that this is possible and reasonable – and shall give the Supplier the opportunity to respond accordingly.
3. The Supplier shall confirm that insurance protection exists and is being maintained for company and product liability with lump-sum coverage of 2.5 million euros for personal injury and property damage, including costs within the context of the extended product liability insurance specified in modules 4.1 to 4.6 of the liability, accident and motor [HUK] model – or an equivalent insurance model – and including insurance protection for dismantling and assembly costs, also for motor vehicle parts. Should the Supplier not have insurance cover of this kind, it undertakes to conclude such insurance cover immediately for the amount specified, or to conclude it at the time the agreement is signed, at the latest, and to maintain such cover.

## IX. Intellectual property rights

1. The Supplier shall be responsible for ensuring that no third party rights are infringed in connection with its delivery.
2. Should a third party make claims on us in this respect, the Supplier shall be required to release us from such claims at first written request. We shall not be entitled to make arrangements of any kind with the third party, and, in particular, to reach a settlement, without the approval of the Supplier.
3. The Supplier's obligation to release us relates to all expenditure necessarily incurred by us as a result of, or in connection with, a claim on us by a third party.

## X. Retention of title, supplies, tools, confidentiality

1. Where we supply the Supplier with parts, we shall retain ownership of such parts. Any processing or reconstruction by the Supplier will be carried out for us. If items to which we retain title are processed with other items that do not belong to us, we shall acquire co-ownership of the new item, with relative ownership shares being determined by the value of the purchased item and that of the other processed items at the time of processing.
2. Should the item supplied by us be mixed inseparably with other items that do not belong to us, we shall acquire co-ownership of the new item, with relative ownership shares being determined by the value of the purchased item and that of the other mixed items at the time of mixing. If the nature of the mixing is such that the Supplier's item may be regarded as the main item, it shall be agreed that the Supplier shall transfer proportional co-ownership to us. The Supplier shall take care of this solely owned or co-owned item for us.
3. We shall retain the right of ownership to tools. The Supplier undertakes to use the tools exclusively for manufacturing the items ordered by us. The Supplier shall be required to insure tools belonging to us at their nominal value against fire, water damage and theft. It shall be required to carry out any necessary maintenance and inspection work in good time at its own expense. It shall be required to notify us of any faults immediately. Should it culpably fail to meet this requirement, compensation claims shall be unaffected.
4. The Supplier shall be required to maintain strict confidentiality with respect to illustrations, drawings, calculations, and other documents and information it has received. These may be shown to third parties only with our express approval. The duty of confidentiality will remain in force after this agreement has been completed.

## XI. Services

Where the Supplier provides services in our establishment through its employees, those employees shall be solely responsible for compliance with the accident prevention regulations of relevant professional associations as well as the German Association for Electrical, Electronic and Information Technologies [VDE]. As Supplier, it shall bear sole liability for the correct selection, management and supervision of its workforce.

## XII. Place of jurisdiction, place of performance

1. If the Purchaser is a merchant entered in the commercial register [Vollkaufmann], the place of jurisdiction shall be our registered office. However, we shall also be entitled to sue the Supplier in the courts at its place of residence.
2. The place of performance shall be our registered office, unless the order confirmation specifies otherwise.

## XIII. Final provisions

1. Should any single provision be invalid, this shall not affect the validity of the remaining provisions.
2. German law shall apply exclusively, with the exception of UN purchasing law.

## Address for dispatch

Parcel post: 79112 Freiburg  
Freight forwarding: 79112 Freiburg