

General Terms and Conditions of Purchase

1. General

Our orders and transactions shall be subject only to the Purchase Conditions specified hereinafter. Amendments to and modifications of these Purchase Conditions or deviating conditions of Supplier shall not be deemed accepted unless confirmed by us in a writing supplementing these Purchase Conditions. Taking delivery or payment of deliveries and/or services shall not be deemed to constitute acceptance of Supplier's conditions of business.

2. Orders

- 2.1. Orders, transactions, and calls or any modifications thereof or amendments thereto shall be made in writing to be valid. Delivery releases may also be issued by tele-communication. Oral agreements prior to or following conclusion of the Agreement require our written confirmation to be valid.
- 2.2. In case Supplier does not accept the order within two weeks of its receipt, we shall have the right to revoke such order. Calls shall become binding at the latest if Supplier does not oppose the call within five working days following receipt of call.

3. Delivery

- 3.1. Deviations from our transactions and orders require our prior written consent. Agreed delivery dates and delivery periods are binding. Delivery dates or delivery periods shall apply as of the receipt in our works. Unless delivery has been agreed "free works", Supplier shall make the goods available in time, taking into consideration the time usually needed for loading and shipment.
- 3.2. If non-compliance with agreed deadlines is attributable to Supplier('s fault), we shall be entitled, notwithstanding any additional statutory provisions, to choose and grant Supplier an appropriate extension of time and announce that we will refuse to take delivery and withdraw from the Agreement if no results are provided meanwhile, and/or procure a replacement from a third party and/or claim damages for non-fulfillment. We will be entitled to demand compensation for any extra cost incurred due to delayed deliveries or services attributable to Supplier. Accepting delayed deliveries or services does not preclude our right to indemnification.
- 3.3. If Supplier anticipates that difficulties may arise with respect to manufacture or own supply of goods, or other circumstances may occur beyond its control, all of which are likely to impede it from effecting delivery timely and/or according to the agreed quality, it shall inform Purchaser's ordering department forthwith. Supplier shall bear the risk of availability of own supplies.
- 3.4. Quantities, weights and measures shall be as determined by our receiving inspection, unless proven otherwise.

4. Declaration of Dispatch and Invoice

The data contained in our orders and calls shall be binding. One single invoice shall be sent to the address mentioned therein; the invoice must not be appended to any delivery.

5. Force Majeure

If non-adherence of Supplier's duties under the Agreement is attributable to Force Majeure, periods will be extended appropriately, unless this would be unreasonably onerous for us. In this case, we shall be entitled to withdraw from the Agreement wholly or in part.

6. Prices and Passing of Risk

Failing a specific agreement, prices apply carriage paid, including packaging. VAT is not included, however. Supplier shall bear the risk until Products are accepted by us or our local representative at the destination specified in the order.

7. Conditions for Payment

Unless otherwise agreed, invoices will be paid on the 25th day following the month of delivery, deducting a 3 percent early payment discount or net within 90 days, without deduction. The period starts when both the invoice and the goods / services have been received. Payment is made subject to a revision of invoices.

8. Warranty

8.1. Receipt of deliveries is subject to a correctness and suitability check. We are entitled to inspect deliveries or services as is and as soon as is opportune in the ordinary course of our business; defects detected will be notified immediately upon detection. To this extent the Supplier waives the objection to delayed notification of defects.

8.2. Irrespective of our statutory rights, we are entitled to demand that, at our option, defective deliveries or services be replaced or repaired free of charge, the purchase price be reduced or the Agreement be partially or totally rescinded. The warranty period shall be 36 months, unless individual, longer periods are agreed.

8.3. Additional costs for intensified receiving inspections necessitated by defective deliveries shall be borne by Supplier.

8.4. We shall be entitled to remove by ourselves defects detected in the case of an emergency, including but not limited to sudden dangers, or to prevent excessive damage.

9. Damage caused by Products

If a customer or other third party asserts a claim for damages under production liability against us, Supplier shall hold us harmless for any such claims, provided that the damage was caused by a Product delivered by Supplier. If liability is based on tort, this shall only apply if Supplier is at fault. The burden of proof lies with Supplier to the extent that the cause of the damage is attributable to Supplier's sphere of responsibility. In this case, Supplier shall bear all cost and expenses incurred, including legal and recall costs. Furthermore, the statutory provisions shall apply.

10. Industrial property rights

- 10.1. Supplier warrants that the delivery of its products does not infringe third parties' rights in any way.
- 10.2. Supplier shall hold Purchaser harmless for any such claims of third parties against Purchaser upon first demand. Yet, Purchaser shall not be entitled to negotiate and agree with such a third party – without Supplier's consent – including a settlement of the matter by way of compromise.
- 10.3. Supplier's duty to hold Purchaser harmless applies to all necessary expenses incurred by the Purchaser as a result of or in connection with the claim lodged by the third party. The prescription period for claims in connection with this Clause 10 is 5 years.

11. Conflict minerals

Supplier confirms that the materials supplied by it under the present order are no conflict materials within the meaning of Sec. 1502 United States Dodd-Frank Wall Street Reform and Consumer Protection Act, and do not come from the Democratic Republic of Congo or a neighbouring country.

12. Work on our Premises

Persons having to work on our premises in fulfillment of the Agreement shall observe the relevant local works regulations in place; rules applying to the entry and leaving of the plants are to be complied with. There shall be no liability if these persons have an accident on the premises, unless we are guilty of intent or gross negligence.

13. Items provided by us

Substances, parts, containers and special packaging provided by us shall at all times remain our property. They must be used in strict compliance with their intended use. Processing of substances and combinations of parts shall be made for us. The Parties agree that we acquire co-ownership in the new goods for which our substances and parts have been used, on a pro-rata basis, taking into account the value of the items provided against the value of the new goods, and that Supplier keeps them for us as such.

14. Confidentiality

- 14.1. Each Party shall use all documents and information received in connection with this Agreement solely for the purpose of this Agreement and shall keep confidential with respect to third parties, treating these with the same degree of confidentiality as it would apply to own confidential documents or information, provided that the other Party has identified them as confidential or if the providing party has an apparent interest in them remaining secret.
- 14.2. Furthermore, Supplier shall make them available only to those members of staff who require the information to fulfill the present Agreement. Supplier ensures that also these members of staff sign an obligation in accordance with this NDA. Upon Purchaser's request, Supplier shall provide forthwith information on the non-disclosure provisions agreed with such members of staff and make available copies of the relevant non-disclosure documents.
- 14.3. These obligations shall operate as soon as a Party first receives such documents or information and shall end 5 years after the expiry of the Agreement.

14.4. The aforementioned obligations shall, however, not apply to such documents and information that, at the time of disclosure, were already publicly known or known to the receiving party, other than under binder of secrecy, or were obtained from a third party entitled to do so, or were developed by the receiving Party without using the communicating Party's confidential documents or information.

15. Applicable Law. Place of Performance. Venue

15.1. The present Agreement shall be governed by the law of the Federal Republic of Germany and the application of the CISG ("Vienna Convention") shall be excluded.

15.2. Place of performance for the delivery is the place of reception indicated by Purchaser in the respective call.

15.3. Exclusive venue for all disputes arising out of or in connection with this Agreement is the court competent for the principal place of business of Purchaser, Dresden, Federal Republic of Germany. However, Purchaser may also bring an action against Supplier at the place of reception specified in the individual call.