

Procurement terms

1. Scope

- 1.1 These procurement terms apply exclusively to all deliveries and services of our contract partner to us. To the extent these procurement terms refer to a delivery, supplier or contract item, this formulation also refers to such services that do not involve the delivery of an object; „delivery“ is used interchangeably in these terms with „service“.
- 1.2 Terms of our contact partner which conflict with or deviate from our procurement terms do not apply even when we do not contradict them in writing. Our procurement terms also apply if we unconditionally order from the contract partner with knowledge of conflicting or deviating terms of the contract partner.
- 1.3 Our procurement terms apply solely to companies in the sense of § 310 (1) German Civil Code.
- 1.4 Our procurement terms also apply to all future transactions with our contract partner.
- 1.5 The negotiating partners will either document any supplementary oral agreements together, for example in the form of a negotiations transcript, or mutually confirm them to each other immediately in writing in detail.

2. Orders

- 2.1 Our orders, changes and additions to the orders must be in writing.
- 2.2 We are entitled to revoke our order free of charge if it is not confirmed to us by our contract partner within one week of receipt, unchanged. Delivery schedules (calls) are binding latest when the contract parties do not object within one week of receipt.

3. Delivery dates, delay in delivery

- 3.1 Agreed delivery deadlines are binding. If delays are anticipated or have occurred, the contract partner must notify us immediately in writing.
- 3.2 If the contract partner still does not deliver within a period set by us, we are entitled to fully or partially rescind the contract or to claim damages instead of performance.

4. Prices, price adjustment

- 4.1 All prices are firm.
- 4.2 They include all expenses and fees in connection with the services to be provided by our contract partner, especially all freight, handling costs and other additional expenses.
- 4.3 We will reimburse complaint costs and ancillary costs only if they are expressly agreed in writing with us.

5. Handling, delivery

- 5.1 Our contact partners are permitted to commission subcontracts solely with our consent.
- 5.2 Delivery schedules are binding as to the nature and quantity of the called goods and the delivery time. Partial deliveries require our consent.
- 5.3 Include a delivery note with each delivery stating our order number and the name of the content type and amount.
- 5.4 Generally deliver the goods in customary, disposable standard packaging. If reusable packaging is used, our contract partner is to make the packaging available to us on loan. Returns are at its own cost and risk. If in an exceptional case we declare that we agree to assume the packing costs, calculate them at the verifiable cost price.
- 5.5 For devices, systems and controls also supply a technical description and operating instructions free of charge. Regarding the included software and standalone software products, the delivery obligation is only fulfilled when the full documentation and unencrypted source code are conveyed/transmitted.
- 5.6 If our contract partner provides deliveries on our premises, it is obliged to comply with the instructions on safety, environmental and fire protection for externals (form: „External Companies“) in the respectively valid version.

6. Invoices, payments

- 6.1 Invoices must be submitted to us under separate cover; our contract partner must state our order number.
- 6.2 Our contract partner's demand for the remuneration is due for payment 30 days after the receipt of the goods and its

invoice in case of doubt or, if we so choose, after 10 days with a 3% discount. The date of payment shall be the day on which our bank has received the remittance order. Payments shall not constitute recognition of the delivery as required in the contract. In case of incorrect or incomplete delivery, without prejudice to our other rights, we are entitled to withhold payments on claims from the business relationship to a reasonable extent until proper performance.

- 6.3 The assignment of claims of our contract partner to a third party is prohibited.

7. Safety, environmental protection

- 7.1 Deliveries of our contract partner must conform to statutory provisions, in particular the safety and environmental regulations, including the act on dangerous substances, the German Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment and the safety recommendations of the competent German professional bodies or organizations, such as VDE, VDI, DIN. Provide the relevant certificates and documents free of charge.
- 7.2 When delivering, our contract partner must comply with the applicable statutory provisions of German and European law, in particular the REACH Regulation (Regulation EC No 1907/2006). The contract partner shall immediately inform about relevant changes in the product, its ability to supply, applicability or quality due to legislation, particularly by the REACH regulation, and will take appropriate measures in individual cases. The same applies if and insofar as the partner recognizes that there will be such changes.
- 7.3 Our contract partner is also obliged to determine and comply with the current state of the relevant directives and laws regarding restrictions on substances relevant to its components. It is obliged not to use prohibited substances. Substances to be avoided and hazardous substances shall be stated according to the laws and regulations on the specifications by our contract partner. If applicable, submit the safety data sheets together with the offers and hand them over with the respective initial delivery in the German language with the delivery note.
- 7.4 When making deliveries, solely our contract partner is responsible for compliance with the accident prevention regulations. Accordingly, any necessary safeguards and any manufacturer's instructions are supplied free of charge.

8. Import and export regulations, customs

- 8.1 For deliveries from an EU country outside Germany, our contract partner is to state the EU VAT ID no.
- 8.2 Imported goods shall be delivered duty paid. Our contract partner is obliged to issue as required under Regulation (EC) No 1207/2001 at its expense statements and information to allow inspections by customs authorities and to furnish the requisite official confirmations.

9. Transfer of risk, acceptance, property rights

- 9.1 Delivery and shipping are at the risk of the supplier free of charge to our business address or to the delivery location specified by us.
- 9.2 If in individual cases a different delivery clause is agreed, the supplier has to provide the carriage of the goods that is best for us and also provide the proper declaration (on the value of goods). In this case also, the supplier is liable for shipping damage.
- 9.3 The ownership of the delivered goods is transferred to us after payment. Any prolonged or extended retention of title is excluded.

10. Examination of incoming deliveries

- 10.1 An incoming goods inspection takes place with regard to apparent defects. We will notify about any hidden defects as soon as they are discovered in the course of normal business operations. Our contract partner waives the objection to late complaints for alleged defects complained about within fourteen days of determination.
- 10.2 If we return defective goods to our contract partner, we are entitled to charge the invoice amount plus a handling fee of 5% of the price of the defective goods. We reserve the right to prove higher expenditures. Our contract partner retains the right to prove lower or no expenditures.

11. Warranty for material defects and defective title

- 11.1 Our contract partner warrants that the delivery complies with the applicable laws and is state of the art and does not infringe on any rights of third parties.
- 11.2 Deliveries with defects are to be immediately rectified or replaced with defect-free deliveries at our option. While doing so, our contract partner bears the removal and installation costs. During the period in which the delivery item is not in our custody, our contract partner bears the risk.
- 11.3 In the case of development or design faults, we are entitled to immediately assert the intended rights provided in the following paragraph.
- 11.4 If the contract partner still does not rectify the complaint within a period set by us, we are entitled to fully or partially rescind the contract, to reduce the remuneration or to demand damages instead of performance.
- 11.5 In urgent cases, particularly where there is a risk to the reliability or to avoid extraordinarily high damages, to remedy minor defects and in the case of default of our contract partner with the rectification of a defect, we are entitled, after prior information of our contract partner and the end of a reasonably short grace period, to rectify the complaint and any consequential damages ourselves at its cost or to have it remedied by a third party at our contract partner's expense. This is also applicable if it delivers late and we need to rectify the defects immediately to avoid a delivery delay on our part.
- 11.6 The period of limitation for claims arising from material defects shall be 36 months; for our claims concerning defective title ten years, each starting with the transfer of risk. The limitation period is suspended for the period that begins with the sending of the notification of defects and ends with fulfilling our claim for defects.
- 11.7 If our contract partner is supposed to deliver in accordance with our plans, drawings or other special requirements, compliance of the delivery with the requirements applies as expressly warranted. If the delivery is non-compliant with the requirements, we are immediately entitled to the rights referred to in the above paragraph.
- 11.8 Apart from that, our statutory rights remain unaffected.
- 11.9 If our contract partner provides the essentially same or similar deliveries after a written warning and these are again defective or delayed, we are entitled to withdraw immediately. Our right of withdrawal in this case includes also those deliveries that our contract partner is still obligated to provide in the future to us under this or any other contractual relation.
- 11.10 Our contract partner shall indemnify us on first demand of all claims against us by third parties - for whatever legal reason - because of a material defect or defective title or any other fault in the product it has delivered and will reimburse us for the necessary costs of our related legal proceedings.

12. Confidentiality

- 12.1 Our contract partner is obliged to treat all commercial and technical details that become known to it through the business relationship confidentially and to not disclose them to third parties.
- 12.2 Manufacturing for third-parties, the demonstration of articles fabricated specifically for us, particularly according to our plans, drawings or other special requirements as well as publications concerning the orders and the reference to this order to third parties requires our prior written consent.

13. Final Provisions

- 13.1 All obligations under the contract with our partner and their facilitation are subject to German law. The provisions of the CISG and the referral provisions under German International Private Law do not apply.
- 13.2 The place of performance is the specified delivery address.
- 13.3 Jurisdiction is Bad Berleburg. However, we are entitled to sue our contract partner in its legal domicile.
- 13.4 Judicial and extra-judicial costs of prosecution abroad, especially for late delivery, shall be borne by our contract partner.
- 13.5 If individual provisions of this contract and these general procurement terms are or become wholly or partially invalid, the validity of the remaining provisions shall not be affected.
- 13.6 Status of this document: 19.09.2013.

