## **General Terms and Conditions of Purchase**

## §1 Area of Application, Orders

- 1.1 Unless other agreements have been expressly made, these general terms and conditions of purchase apply to the deliveries and services of the suppliers.
- 1.2 General terms and conditions of business of the suppliers shall not apply even if they have not yet been expressly contradicted or deliveries or services have been accepted without any reservation.
- 1.3 Orders, modifications and amendments concerning orders and their acceptance shall have to be made in writing. Confirmation by telecommunication, particularly by telefax, shall be sufficient to meet the requirement of the written form insofar as the copy of the signed acceptance declaration is transferred.
- 1.4 The purchasers shall be entitled to revoke an order free of charge when the suppliers do not confirm the order without any change within two weeks of its receipt.
- § 2 Deadlines, Supply, Subcontracts
- 2.1 Agreed deadlines shall be binding. Decisive factor for complying with the deadlines shall be the receipt of goods or the completion of a service at the purchaser's or at the indicated place of supply/service. Shipping times shall have to be considered by the suppliers.
- 2.2 The suppliers shall have to indicate a recognizable delay immediately.
- 2.3 Partial, advance, excess or short deliveries shall require the previous consent by the purchaser in writing.
- 2.4 The dimensions, weights and quantities established in our company after receipt of goods shall be decisive.
- 2.5 Subcontracts for the complete delivery or service or essential parts thereof shall only be placed with the consent of the ordering party unless supplies of marketable components and materials are concerned.
- § 3 Passing of Risk, Notice of Defects
- 3.1 The suppliers bear the risk until receipt of goods or acceptance of services at the purchaser's or at the place of delivery/service indicated by the purchaser.
- 3.2 The purchaser shall immediately inspect the supplies at the time of delivery with regard to apparent defects and damages in transit and shall complain about them in writing within two weeks. The purchaser shall complain about other defects within an appropriate time after they have been established in the course of an orderly business practice. Insofar the suppliers waive the objection of the neglected receiving inspection and the late notice of defect.

## § 4 Warranty

The suppliers shall warrant that all supplies and services comply with the recognized rules of engineering, the safety standards and the quality requirements, are free from design, material and manufacturing defects, comply with the relevant statutory and official regulations and contain the agreed technical data.

4.2 The purchaser shall be entitled to the complete statutory warranty rights. In any case, the purchaser shall be entitled to choose between remedy and new delivery or new performance.

4.3 In urgent cases (in particular when the operational safety is jeopardised or great damage is to be avoided) when

a remedy by the suppliers is not possible in time and in case of the suppliers being in default with the remedy, the purchaser shall be entitled to remedy deficiencies himself or have them remedied by third parties and to demand the compensation of the expenditure required.

- 4.4 The suppliers shall bear the costs demonstrably incurred because of the defective delivery or service, particularly installation and removal costs, material costs and transport costs. The suppliers who are not merely intermediaries shall have to be responsible for defects in their deliveries/services even without their fault.
- 4.5 The suppliers shall hold the purchaser harmless from and against all claims asserted against the purchaser by third parties because rights of third parties have been violated in connection with the deliveries or services. They shall reimburse the purchaser any expenditure incurred by him from or in connection with the utilisation. This shall not apply when the suppliers are not responsible for the violation.
- 4.6 The limitation period for claims and rights of the purchase based on defects shall be 24 months after the commissioning at the purchaser's customer, at best however 30 months from the transfer of risks. Insofar as the same cause for a defect is concerned, the limitation period will start anew for newly delivered or remedied parts or services delivered or rendered by the suppliers in case of the supplementary performance. Longer statutory limitation periods shall remain unaffected.

## § 5 Termination

The purchaser may terminate the contract with immediate effect when insolvency proceedings are applied for with regard to the assets of the suppliers or when the suppliers stop payments.

- § 6 Spare Parts
- 6.1 The suppliers shall ensure that spare parts for their deliveries will be available for a period of 10 years on reasonable terms. Should the suppliers envisage to cease the supply of such spare parts within said period, they immediately inform the purchaser accordingly and offer him the opportunity for a final order.
- § 7 Secrecy, Data Protection
- 7.1 The suppliers shall have to treat any and all commercial and technical details coming to their knowledge by way of the business relationship strictly confidential and must not divulge them to any third parties.
- 7.2 The purchaser points out that he will store data of the suppliers on the basis of the Federal Data Protection Act.
- § 8 General Provisions
- 8.1 The suppliers may assign their claims from the contractual relationship only with the consent of the purchaser.
- 8.2 Place of performance shall be the place of delivery / service indicated in the order.
- 8.3 Exclusive place of jurisdiction for all disputes arising from the contractual relationship shall be the commercial domicile of the purchaser.
- 8.4 German law shall apply to the exclusion of the UN sales convention and the referral provisions of the private international law.

8.5 Should individual provisions of these General Terms and Conditions of Purchase in whole or in part be or become ineffective, this shall not affect the efficiency of the remaining provisions.

General Terms and Conditions of Purchase of WF Maschinenbau und Blechformtechnik GmbH & Co. KG - July 2016