

# General Purchasing Terms

## § 1 Area of application

1. The General Purchasing Terms of the Customer apply for all deliveries by the supplier to the Customer, including future deliveries.
2. The Customer's Purchasing Terms apply exclusively; general business terms of the supplier which contradict or vary from these are not recognised by the Customer unless accepted by the Customer in writing in individual cases.
3. The Customer's Purchasing Terms are deemed to be accepted by the supplier in their entirety when the supplier accepts an order or starts to provide goods and services. The Customer's Purchasing Terms apply even if the Customer accepts the supplier's delivery without conditions in the knowledge of supplier terms which contradict or vary from its Purchasing Terms.

## § 2 Order placement; order documentation

1. Supply contracts (order and order confirmation) and delivery call-offs or any amendments thereto must be in written form. Delivery call-offs may also be made by remote data transmission.
2. If the supplier does not accept the order within the period stated in the order, but at the latest within two weeks from receipt, the Customer is no longer bound by its order. Unless a shorter period is agreed, delivery call-offs become binding if no objection is raised by the Supplier within two weeks after receipt at the latest.
3. In the absence of an agreement to the contrary, order confirmations must be issued with the full contents in agreement with the order, and stating the order number and order date. If the Customer provides a confirmation form, this must be used.

## § 3 Prices; payment terms

1. The prices shown in the order are fixed prices. Sliding-scale price clauses and price reservations are effective only with the express written confirmation of the Customer.
2. In the absence of a written agreement to the contrary, the price includes "free buyer's address" delivery, including packaging, to the place of performance named in the order.
3. Freight, packaging and other incidental delivery costs such as transport insurance are borne by the Customer only by express prior agreement.
4. If the Customer bears the freight costs, the Supplier must in all cases select the lowest-price freight route; the Customer reserves the right to choose the carrier. Packaging material may be returned by the Customer at no cost.
5. Invoices must be made out in an orderly and checkable manner in accordance with the tax requirements which apply in each case. In particular, invoices must state the correct company name, the tax number or VAT identification number of the Customer and the order number

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given in the order. Value-added tax must be shown separately. Promptly after delivery, invoices must be submitted separately, i.e. not enclosed with the delivery.

6. If the invoice does not fulfil these requirements, the Customer is not obliged to make payment. If the Customer nevertheless does make payment, the Supplier is responsible for any loss incurred by the Customer as the result of the incorrect invoice.
7. In the absence of an agreement to the contrary, invoices will be paid by the Customer within 15 days less 3% cash discount or within 30 days net, using the payment method chosen by the Customer.
8. For calculation of payment and cash-discount periods, the date of receipt of the invoice is decisive; if the delivery item is received later than the invoice, the date of receipt of the delivery item but at the earliest the delivery date agreed in the order is decisive.
9. The Customer is entitled to offset and retention rights within the parameters of the law. The Customer is in particular entitled to withhold payment wholly or partially as long as and to the extent that warranty claims are pursued by it.

## § 4 Delivery item; delivery date; dispatch

1. For the contents, nature and scope of the delivery the order alone is decisive.
2. The delivery dates stated in the order or otherwise agreed in writing are binding.
3. The Supplier is obliged to notify the Customer promptly in writing if circumstances arise or become evident to the Supplier which mean that the stipulated delivery time cannot be met.
4. Part deliveries and/or deliveries before the agreed date require the Customer's prior approval. Deliveries in excess of the order may be returned by the Customer without prior notice at the Supplier's expense and with a corresponding reduction of the invoice amount.
5. In the case of delay in delivery the Customer is entitled to the legal rights. In particular, the Customer is entitled to demand damages in lieu of performance and rescission after fruitless expiry of a reasonable period. If the Customer demands damages, the Supplier is entitled to prove that it is not responsible for the breach of duty. To avert further damage caused by delay, the Customer may demand delivery of the contract products by air freight at the Supplier's expense provided that the costs and forecast damage are in reasonable proportion.
6. If the Supplier is culpably in default, the Customer is entitled to demand a contractual penalty of 0.3% of the agreed net price per working day. In total, however, the contractual penalty will not exceed 5% of the agreed net price. The Customer may demand the contractual penalty in addition to performance and as a minimum amount for the compensation owed by the Supplier in accordance with the provisions of the law. If the Customer accepts a late delivery, the Customer may demand the contractual penalty only if it makes an appropriate declaration of reservation to the Supplier at the latest within 10 working days after acceptance of the late delivery.

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7. A delivery note in duplicate must be enclosed with each delivery. A dispatch notification (with no duplicate) must be sent to the Customer immediately after dispatch of each delivery. The Supplier must state in all delivery notes and dispatch papers the order number given in the order, the order date, the order quantity, the weight (gross) and the Hettich material number. If agreed, package content lists must be enclosed with the delivery. If the Supplier fails to fulfil these obligations, the Customer is not responsible for processing delays.

## § 5 Assignment

1. The Supplier may not without the express prior consent of the Customer wholly or partially assign its contractual claims to third parties.
2. Even in the event of assignment with the Customer's consent, the Customer reserves the right to offset counterclaims acquired after notification of the assignment.

## § 6 Transfer of contract execution

1. The Supplier may not without the Customer's express prior consent wholly or partly transfer execution of the contract to third parties. Even if consent is given, the Supplier remains fully responsible for fulfilment of the contract.
2. The Supplier may commission subcontractors only with the written consent of the Customer. On request, the Supplier must give the Customer information about its subcontractors.
3. The Customer is entitled to transfer the order, together with all rights and duties, to an affiliated company at any time.

## § 7 Offsetting; right of retention; attachment

1. The Supplier may not without the Customer's express consent offset asserted claims unless they are undisputed or have been established with final legal effect.
2. Rights of retention for the Supplier are excluded to the extent that they are not based on the same contractual relationship. The Supplier may otherwise claim rights of retention only if they are undisputed or have been established with final legal effect.
3. If claims of the Supplier against the Customer are attached by creditors of the Supplier, the Supplier is obliged to reimburse the Customer for the resulting expense incurred.

## § 8 Examination for defects; liability for defects

1. For its deliveries the Supplier must comply with the recognised rules of technology, the relevant provisions of the law and official regulations, particularly safety regulations, and the agreed product specifications. The product specifications may in particular be determined in text form and electronic data files or by samples and drawings. Changes to the delivery item require the Customer's prior express consent in written form.
2. Checks on incoming goods will be carried out by the Customer only with regard to obvious defects and transit damage to the goods. An identity examination will be carried out only on

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the basis of the enclosed transport documents. Section 377 of the German Commercial Code (HGB) is otherwise excluded.

3. The Customer is entitled to statutory defect claims without restriction; the Customer is at all events entitled to demand at its own discretion removal of defects or delivery of a new object. The right to claim compensation for damages, particularly damages in lieu of performance, is expressly reserved.
4. If, in urgent cases, the Supplier cannot provide any remedy and the Customer is threatened by a particularly substantial loss, the Customer may – at the Supplier's expense and risk – carry out the removal of defects itself or arrange for it to be carried out by third parties or procure a replacement elsewhere. In such an event, the Customer will notify the Supplier promptly about the existence of the defect which has been ascertained.
5. For defect claims, the time limit under the statute of limitations is five years counting from the date of delivery or the date of acceptance by the Customer. For replacement goods supplied within the parameters of warranty procedures and for repaired goods, the time limit with regard to the same defect and with regard to the consequences of defective repair is counted afresh from the date of delivery or the date of acceptance by the Customer. The Customer reserves the right to pursue any further warranty claims which may exist.

## § 9 Product liability; indemnity; third-party liability cover

1. If claims are pursued against the Customer by third parties because of product damage, the Supplier is obliged to indemnify the Customer on first request if, in external relationships, the Supplier is subject to statutory liability for such damage.
2. Within the parameters of its liability for damage within the meaning of the preceding paragraph, the Supplier is also obliged to reimburse any expenses in accordance with sections 683 and 670 of the German Civil Code (BGB) and in accordance with sections 830, 840 and 426 BGB as the result of or in connection with any product recall by the Customer or its customers. The Customer will – as far as possible and reasonable – inform the Supplier about the content and extent of the recall measures and give it an opportunity to comment. Other legal claims are unaffected.
3. At least for the period under the statute of limitations, the Supplier must maintain product liability insurance for any defect claims with appropriate overall cover of at least €10 million per case of personal injury or property damage and provide documentation of this to the Customer on request; to the extent that the Customer is entitled to further compensation claims, these are unaffected.

## § 10 Patent and property rights

1. The Supplier must exercise the greatest care to ensure that, in connection with the delivery or use of the delivery item, third-party rights – particularly patents, utility models, copyright and competition rights or other industrial property rights – are not infringed.

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2. If the Supplier breaches this duty of care and claims are pursued against the Customer by a third party as a result, the Supplier is obliged, at first written request, to indemnify the Customer against all claims pursued against it.
3. The Supplier's indemnification duty relates to all costs incurred by the Customer in connection with third-party claims pursued against it.
4. The time limit under the statute of limitations is ten years counting from the date of conclusion of the contract.

## § 11 Retention of title; provision by the Customer; production resources

1. If the Customer provides parts for the Supplier, the Customer retains title to these. Processing or transformation by the Supplier is carried out on behalf of the Customer. If goods of the Customer which are subject to retention of title are processed together with other objects which do not belong to the Customer, the Customer acquires joint title to the new object in proportion to the value of its object compared with the value of the other objects when they are processed.
2. If the object provided by the Customer is inseparably mixed with other objects which do not belong to the Customer, the Customer acquires joint title to the new object in proportion to the value of the object which is subject to retention of title (purchase price plus VAT) compared with the value of the other objects when they are mixed. If mixture takes place in such a way that the Supplier's object can be regarded as the principal object, it is deemed to be agreed that the Supplier will transfer joint title to the Customer proportionally; the Supplier will retain sole possession or joint possession on behalf of the Customer.
3. The Customer retains titles to production resources such as models, samples, tools, gauges, drawings, illustrations, calculations, etc., which are supplied by the Customer to the Supplier or produced by the Supplier in accordance with information supplied by the Customer.
4. In the absence of an express written declaration from the Customer that they may be used for other purposes, such production resources may be used by the Supplier only for production of the goods ordered by the Customer. Any necessary servicing work and all maintenance and repair work on the Customer's production resources must be carried out in good time by the Supplier at its own expense. It must notify any problems or breakdowns to the Customer without delay. The Supplier must exercise the greatest possible care to ensure that the Customer's production resources are kept in safe custody and are protected against theft, loss and other damage. If the Customer's production resources are lost or damaged, the Supplier must reimburse the damage or loss incurred unless the Supplier proves that such damage or loss would have arisen even under the exercise of greatest possible care by it.
5. The production resources belonging to the Customer must be insured by the Supplier at its own expense - at new replacement value - against fire and water damage and theft. In parallel, the Supplier hereby already assigns all compensation claims under this insurance to the Customer, which hereby accepts such assignment.

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6. After completion of the order, the Supplier must on request by the Customer return the production resources to the Customer at its own expense. Until this occurs, the Supplier must carefully keep them in safe custody at its own expense.

## § 12 Secrecy

1. The Supplier undertakes that all information which is provided by the Customer or other companies in the HETTICH Group in advance of a possible business relationship, in connection with requests for quotation for example, or in the course of an existing business relationship, or which otherwise come to its notice, will be treated by it in the strictest confidence and will not, without a written declaration of consent by the Customer, be made available by it to third parties, used by the Supplier on its own account or otherwise exploited. The term "information" includes the circumstances of a request for quotation and its contents and also all technical information and drawings, particularly 3-D models and CAD drawings.
2. All information, documentation and know-how provided to the Supplier remain in the exclusive ownership of the Customer. The right to apply for registration of industrial property rights to the protectable content of the information accrues exclusively to the Customer.
3. The secrecy obligation does not apply to information which at the time of disclosure is part of the status of technology in the public domain or is demonstrably part of the Supplier's own status of technology.
4. The Supplier bears full responsibility for compliance with the secrecy obligation by all its employees who have access to the relevant information. This also applies for subcontractors and suppliers to the Supplier even if they are used with the Customer's approval.
5. The secrecy obligation applies even after termination of business contacts with the Supplier; it lapses if and to the extent that the Customer publishes the information itself.
6. Towards third parties, the business relationship with the Customer may be referred to by the Supplier only if this is approved by the Customer in writing.

## § 13 Data protection

The data required for conduct of business will be electronically processed by the Supplier in accordance with the relevant provisions of the law.

The Customer reserves the right in accordance with sections 28 ff of the Federal German Data Protection Law (BDSG) to obtain reports from credit-rating agencies and supply data about the Supplier to such agencies without subjective value judgments (e.g. communication and invoice data, data on contract fulfilment and impairment of performance, etc.). To allow such agencies to provide information about the creditworthiness of suppliers, they store the data and pass it on exclusively to affiliated companies after examination and credible demonstration of a legitimate interest.

The Supplier may obtain information about the data stored by the credit-rating agencies on it.

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## § 14 Place of performance and jurisdiction; applicable law

1. In the absence of a contrary stipulation in the order, the place of performance and jurisdiction for all obligations and rights under the contractual relationship is the location of the Customer's registered offices.
2. If the Supplier is a registered trader, the place of jurisdiction for all litigation relating to the contractual relationship or about its origination and effectiveness is determined in accordance with the location of the Customer's registered offices; the Customer is nevertheless also entitled to pursue legal actions against the Supplier in the court with competence for the location of the Supplier's registered offices. This also applies to litigation relating to bills of exchange and cheques.
3. All legal relations between the Customer and the Supplier are governed exclusively by German law. The provisions of the UN Convention of 11 April 1980 on Contracts for the international sale of goods are excluded.