

# General Terms and Conditions of Purchase

## MATHEUS Industrie-Automation GmbH

### Section 1 Application

(1) All the deliveries, services and offers of our Suppliers are exclusively subject to these General Terms and Conditions of Purchase. They shall be part of all the contracts that we conclude with our Suppliers with respect to the deliveries or services offered by the latter. They shall also be valid for any future deliveries, services or offers to the principal, even if not agreed upon separately.

(2) The terms and conditions of our Suppliers or of any third parties shall not apply, even if we shall not separately object to their application in the individual case. Even if we shall refer to a letter containing terms and conditions of the Supplier or of any third party, or referring to such terms and conditions, this shall not indicate any agreement to the application of those terms and conditions.

### Section 2 Commissions and Orders

(1) Insofar as our offers shall not expressly include a binding period, we shall consider ourselves bound for one week upon the date of the offer. Our receipt of the declaration of acceptance shall be decisive for the acceptance in due time.

(2) We shall be entitled to change the time and place of delivery, as well as the type of packaging, any time by written notice within a period of at least 5 working days prior to the delivery date agreed upon. The same shall hold for any modifications of product specifications, insofar as these can be implemented in the framework of the normal production process of the Supplier without any considerable additional effort; in these cases, the period of notice according to the prior clause shall be at least 14 calendar days. We shall pay the respective extra costs resulting from such modifications to the Supplier, if these can be verified and are reasonable. If such modifications shall result in a delayed delivery which cannot be avoided by reasonable efforts during the normal production and business operations of the Supplier, the delivery date originally agreed upon shall be postponed respectively. The Supplier shall indicate to us in written form the extra costs or delays of delivery to be expected by diligent estimation, in due time prior to the delivery date, at least however within 5 working days upon reception of our notice according to clause 1.

(3) We shall be entitled to terminate the contract anytime by written declaration and indication of the reason if we are not able to use the commissioned products any longer in our business operations, on the grounds of circumstances occurred after the conclusion of the contract. In this case, we shall pay the Supplier for the partial performance rendered by them.

### Section 3 Prices, Payment Conditions, Invoice

(1) The price indicated in the commission shall be binding. (2) In the absence of any different agreement in writing, the price shall include delivery and shipping, as well as packaging, to the delivery address indicated in the contract.

(3) Insofar as the price shall not include packaging according to the respective agreement, and the payment for the packaging - which has not been made available only on loan - has not been expressly defined, the packaging shall be invoiced according to the verifiable cost price. Upon our request, the Supplier shall take the packaging back at their own expense.

(4) Unless the parties shall not have any different agreement, we shall pay the purchase price upon delivery of the merchandise and receipt of the invoice within 14 days with a 3 % discount, or net within 30 days. The receipt of our transfer order by our bank shall be sufficient for the payments owed by us in due time.

(5) Our commission number, the article number, the amount of delivery, and the delivery address shall be indicated in every order confirmation, delivery document, and invoice. Should one or several of these indications be missing and should this result in any delay of the processing in our normal business operations, the terms of payment indicated in clause 4 shall be extended by the period of the delay.

(6) In the case of any default in payment, we shall owe default interest to the amount of five per cent above the basic interest rate pursuant to § 247 BGB (German Civil Code).

### Section 4 Term of Delivery and Delivery, Passing of Risk

(1) The term of delivery (delivery date or period) indicated by us in the commission, or otherwise applicable pursuant to these General Terms and Conditions of Purchase, shall

be binding. Any advance deliveries shall not be permissible.

(2) The Supplier shall be obliged to inform us immediately in written form if any circumstances occur or are threatening on the grounds of which the delivery will be delayed.

(3) If the date can be determined on which the delivery shall take place at the latest pursuant to the contract, the Supplier shall automatically be in default after this date; any reminder by us shall not be necessary.

(4) In the case of default of delivery, we shall unrestrictedly reserve the rights under applicable law, including the right of withdrawal and the claim on damages instead of performance, after futile expiry of a reasonable period of grace.

(5) In the case of delayed delivery, we shall be entitled to request, upon prior written notice to the Supplier, a contractual penalty to the amount of 0.5 %, maximum 5 %, of the respective order value for each beginning week of the delayed delivery. The contractual penalty shall be offset against the damage caused by delay payable by the Supplier.

(6) The Supplier shall not be entitled to make any partial deliveries without our prior written consent.

(7) The risk shall pass to us only when the merchandise has been delivered to us at the place of delivery agreed upon, even if shipping has been agreed upon.

### Section 5 Ownership Protection

(1) We shall reserve the right of property or the copyright for any commissions and orders placed by us, as well as for any designs, pictures, calculations, descriptions, and other documents made available by us to the Supplier. The Supplier shall neither make these available to any third parties without our expressly given consent, nor shall they or any third parties use or copy these themselves. Upon our request, they shall return these documents completely to us if these are not needed any longer in due course of business, or if negotiations do not result in the conclusion of a contract. In this case, any copies made by the Supplier shall be destroyed, with the exception of documents which must be kept in the framework of any legal duty to preserve records, and of the storage of data for backup purposes in the framework of the usual data backup.

(2) Any tools, appliances and models which have been made available to the Supplier by us or have been constructed for contract purposes and invoiced to us separately by the Supplier, shall remain in our property or shall be transferred to our property. These shall be marked as our property by the Supplier, preserved diligently, protected against damage of any kind, and used only for contract purposes. In the absence of any other agreement, the costs for maintenance and repairs shall be shared by the contracting parties. Insofar as these costs have resulted from defects of such objects produced by the Supplier or from abuse by the Supplier, their employees or other agents, they shall be payable exclusively by the Supplier. The Supplier shall inform us immediately about any damage to these objects that is not inconsiderable. Upon request, the Supplier shall be obliged to return the objects to us in proper state, if these are no longer necessary for the Supplier in order to fulfil the contracts concluded with us.

(3) Any retentions of title of the Supplier shall only hold insofar as referring to our payment obligation for the respective products, of which the Supplier reserves the title. Any extended or prolonged retentions of title are especially impermissible.

### Section 6 Warranty

(1) In the case of defects, we shall unrestrictedly reserve all rights under applicable law. The above notwithstanding, the warranty period shall be 36 months.

(2) Any quality and quantity defects shall in any case be contested in due time if we inform the Supplier about such defects within 10 working days upon receipt of the merchandise. Any hidden material defects shall in any case be contested in due time if notice is given to the Supplier within 10 working days upon their discovery.

(3) We shall not waive any warranty claims by the acceptance or approval of any models or samples presented to us.

(4) The receipt of our written notice of defects by the Supplier shall stay the statute of limitations of any warranty claims, until the Supplier rejects our claims or declares the defect to be remedied or otherwise refuses the continuation of negotiations about our claims. In the case of delivery of spare parts and removal of defects, the

warranty period for any substituted and improved parts shall start anew, unless we must assume on the grounds of the Supplier's behavior that the latter did not consider themselves obliged to take such measure, but instead undertook the delivery of the spare parts or the removal of defects only for reasons of goodwill or similar reasons.

### Section 7 Product Liability

(1) The Supplier shall be held responsible for any claims by third parties on the grounds of personal injury or material damage which result from a defective product delivered by them; they shall be obliged to indemnify us and keep us indemnified from and against the resulting liability. If we are obliged to make a product recall towards third parties due to a defect of a product delivered by the Supplier, the Supplier shall bear all the costs connected to such product recall.

(2) The Supplier shall be obliged to maintain at their own expense product liability insurance with a minimum insurance amount of 5 million EUR, which does not necessarily have to cover the risk of a product recall, punitive damages or similar damage, unless otherwise agreed in the individual case. Upon request, the Supplier shall submit to us a copy of the liability insurance policy anytime.

### Section 8 Property Rights

(1) The Supplier shall guarantee pursuant to clause 2 that no property rights of third parties are violated by products delivered by them in countries of the European Union or in other countries where the Supplier manufactures the products or has them manufactured.

(2) The Supplier shall indemnify us from and against any claims against us by third parties, on the grounds of the violation of commercial property rights indicated in clause 1, and shall refund any necessary expenses in connection with these claims. This claim shall hold independently from any fault of the Supplier. *[Different version: This claim shall not hold insofar as the Supplier proves that they are neither responsible for the violation of the property rights, nor did they have to know about it at the time of delivery, despite the due diligence of a prudent businessman.]*

(3) Our further rights under applicable law on the grounds of legal defects of the products delivered to us shall remain unaffected.

### Section 9 Spare Parts

(1) The Supplier shall have available spare parts for the products delivered to us for a period of at least 10 years after the delivery.

(2) If the Supplier decides to cease the production of spare parts for the products delivered to us, they shall inform us about such cessation immediately upon the decision. Subject to clause 1, this decision shall take place at least 6 months before the cessation of the production.

### Section 10 Confidentiality

(1) The Supplier shall keep confidential the conditions of the commission, as well as all the information and documents made available for this purpose (with the exception of publicly available information) for a period of 3 years after the conclusion of the contract, and to use these only for the fulfillment of the commission. Upon request, they shall immediately return this information to us after the conclusion of queries or the handling of commissions.

(2) Without our prior written consent, the Supplier shall not indicate our business relation in advertisement material, brochures, etc.; neither shall they exhibit any delivery items manufactured for us.

(3) The Supplier shall oblige their subcontractors according to this section 10.

### Section 11 Assignment

The Supplier is not entitled to assign their claims on the grounds of this contractual relationship to any third parties. This shall not hold insofar as referring to outstanding debts.

### Section 12 Place of Performance, Place of Jurisdiction, Applicable Law

(1) Place of performance for both parties and exclusive place of jurisdiction for all disputes arising from the contractual relationship shall be the place of residence of our company.

(2) The contracts concluded between us and the Supplier shall be governed by the law of the Federal Republic of Germany, excluding the Convention on Contracts for the International Sale of Goods (UN).

Date: 1<sup>st</sup> October 2015

#### Geschäftsführer

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