



SCHÖNENBERGER

General Purchase Conditions of Schönenberger Systeme GmbH

1 General Provisions – Scope

1.1 Only our purchase conditions shall apply. We shall not recognise any conflicting conditions or any supplier conditions which deviate from our purchase conditions unless we agreed expressly in writing to the validity of these conditions. Our purchase conditions shall also apply if we accept the delivery from the supplier without reservations in the knowledge that the supplier has conflicting conditions or conditions which deviate from our purchase conditions.

1.2 All agreements made between us and the supplier regarding the execution of this contract shall be made in writing.

1.3 Our purchase conditions shall only apply to entrepreneurs within the meaning of Sec. 310 paragraph 4 BGB (Civil Code).

2 Offer – Tender Documentation – Order Acknowledgement

2.1 The supplier shall be under the obligation to accept our order within a period of 1 week by provision of a written order acknowledgement to buyer's address.

2.2 We reserve legal title and copyrights to all illustrations, drawings, calculations and other documents; these may not be made available to third parties without our express written consent. They shall only be used for manufacturing purposes based on our order and shall be returned to us without specific request after completion of the order. They shall be treated confidentially in dealings with third parties, the provision of Sec. 9 paragraph (4) shall apply additionally in this respect.

3 Prices – Terms of Payment - Deliveries

3.1 The price listed in the order shall be binding. Absent any agreements to the contrary, the price shall comprise a DDP delivery (as per Incoterms 2010) to buyer's address, including packaging. The return of the packaging shall require a separate agreement.

3.2 We can only process invoices if they contain our order number as specified in our order; the supplier shall be liable for any consequences arising from non-compliance with this obligation insofar as the latter does not prove that he is not responsible for the omission.

3.3 Unless otherwise agreed we shall pay the purchase price within 14 days from the date of delivery and receipt of the invoice with 3% discount or within 30 days after delivery and receipt of invoice with 2% discount or within 60 days from delivery and receipt of invoice net in cash, by transfer or acceptance.

3.4 We shall be entitled to offsetting and retention rights as provided by law.

3.5 Over-deliveries shall not be accepted. Schönenberger Systeme reserves the right to return such over-deliveries to the supplier at supplier's costs.

4 Delivery Period

4.1 The delivery period stipulated in the order shall be binding.

4.2 The supplier shall be under the obligation to inform us directly in writing if circumstances arise or can be foreseen on the grounds of which it is to be expected that the agreed time of delivery cannot be observed.

4.3 In the event of a delay in delivery we shall be entitled to the statutory claims, in particular, to demand compensation for damages instead of performance and withdrawal after an appropriate deadline has expired unsuccessfully. In the event that we demand compensation for damages the supplier shall be entitled to prove that he is not responsible for the breach of duty.

5 Passage of Risk - Documents

5.1 Unless otherwise agreed delivery shall be at DDP terms (Incoterms 2010) to buyer's address.

5.2 The supplier shall be under the obligation to note our exact order number on all shipping documents and notes of delivery; should the latter omit to do so processing delays shall not be our responsibility.

6 Inspection for Defects – Liability for Defects

6.1 We shall be obliged to inspect the goods for possible defects or variations in quality and quantity. A notice of defects shall be deemed in time if received by the supplier within a deadline of 7 working days from receipt of the goods or, in the event of hidden defects, from discovery of the defects.

6.2 In the event that the goods have to be shipped inspection can be delayed until the goods have arrived at their destination. In the event that we redirect or forward the goods delivered by the supplier, for example, to a building site, without having had sufficient opportunity to examine them in advance at our business premises and provided we informed the supplier thereof at conclusion of the agreement we shall be entitled to postpone the checking and inspection of the goods until arrival of the latter at their new destination.

6.3 In the event that the goods delivered by the supplier are processed by us or built into an existing system and provided we informed the supplier thereof when placing the order we shall be entitled to inspect the goods during installation and further processing and a notice of defects filed at that point shall be deemed to be in time.

6.4 We shall be entitled to the statutory claims on the grounds of defects, without restrictions; in any case, we shall be entitled to demand removal of the defects or delivery of a new item by the supplier at our discretion. We expressly reserve the

right to compensation for damages, in particular, the right to demand compensation instead of performance.

6.5 We shall be entitled to remove the defects ourselves at the supplier's costs in the event of imminent danger or if special urgency is required.

6.6 The period of limitation shall be 36 months counting from the passage of risk.

7 Product Liability – Exemption – Liability Insurance

7.1 In the event that the supplier is liable for a damaged product the latter shall be under the obligation to exempt us from third party claims for damage compensation at first request insofar as the cause lies within the supplier's dominion and organisational area and the latter is liable with respect to third parties.

7.2 The supplier shall also be liable within the scope of his liability for damages within the meaning of paragraph (1) to reimburse expenses according to Sec. 683, 670 BGB (Civil Code) and Sec. 830, 840, 426 BGB which may arise in connection with callback measures taken by us. We shall inform the supplier – as far as possible and reasonable – on the contents and scope of the callback measures to be taken and shall give the supplier the opportunity make a statement this respectively. Other statutory claims shall not be affected.

7.3 The supplier engages to maintain a product liability insurance with a sum insured of 10 Mio. Euro per personal damage/damage to property – blanket insurance –; this shall not affect any further damages compensation claims to which we may be entitled.

8 Industrial Property Rights

8.1 The supplier guarantees that no third party rights are violated in connection with his delivery.

8.2 In the event that claims by third parties are directed against us in this respect the supplier shall be under the obligation to exempt us from these claims upon our first written demand; we shall not be entitled to conclude any type of agreement, in particular, not a settlement with third parties without the supplier's consent.

8.3 The supplier's exemption obligation shall relate to all expenses incurred by us of necessity in connection with recourse taken by a third party.

8.4 The period of limitation shall be ten years from the date of conclusion of the agreement.

9 Reservation of Title – Availability – Tools - Secrecy

9.1 We shall reserve ownership of any parts contributed to the supplier by us. Processing or reshaping shall be carried out by the supplier on our behalf. In the event that our reserved goods are processed with other goods not belonging to us we shall receive a co-ownership share of the item corresponding to the value of our item (purchase price plus VAT) at the time of processing in relation to the other items processed.

9.2 In the event that the object contributed by us is inseparably mixed with other objects not belonging to us we shall acquire a co-ownership share in the new item corresponding to the value of the reserved item (purchase price plus VAT) in relation to the other mixed items at the time of the mixing. In the event that the objects are mixed in such a way that the supplier's item must be considered as the principal item, it is hereby agreed that the supplier shall transfer a pro-rata co-ownership share; the supplier shall hold sole ownership or co-ownership on our behalf.

9.3 We shall furthermore reserve ownership of the tools; the supplier shall be under the obligation to use the tools solely for the manufacturing of the goods ordered by us. The supplier shall be under the obligation to insure the tools belonging to us at his costs and at reinstatement value against loss or damage by fire, water and theft. At the same time, the supplier already now assigns all compensation claims arising from this insurance to us; we hereby accept this assignment. The supplier engages to carry out the required servicing and inspection work as well as all maintenance and repair work at his costs in due time. He shall report any breakdowns to us immediately; should he be at fault for omitting to do so damage compensation claims shall remain unaffected.

9.4 The supplier shall be under the obligation to treat all illustrations, drawings, calculations and other records he received strictly confidentially. These may only be disclosed to third parties with our express consent. The duty to maintain secrecy shall also apply after completion of this contract, it shall expire when and if the manufacturing know-how contained in the illustrations, drawings, calculations and other records made available have become generally known.

9.5 In the event that the liens we are entitled to according to paragraph (1) and/or (2) exceed the purchase price of all our reserved goods for which payment is outstanding by more than 10% we shall be obliged to release the liens of our choice at the supplier's request.

10 Place of Jurisdiction – Place of Performance

10.1 Place of performance and place of jurisdiction for both parties shall be Landsberg. To the extent permissible, the contracting parties engage to agree in an effective manner that Munich shall be the place of jurisdiction in the event of a legal dispute after pendency of the suit. We shall be entitled to sue the supplier at his principal place of business.

10.2 German law shall apply to this contract and all rights and obligations arising here from. The UN Vienna Convention on contracts for the international sale of goods of 04/11/1980 shall not apply.