



# General Purchase Conditions

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## § 1 General Information . Written Form - Scope of Application

1. These Purchase Conditions shall apply to all business transactions with suppliers and other customers (hereinafter called "supplier"), unless they are consumers.
2. These Purchase Conditions shall also apply to all future business transactions with the supplier, even if they are not expressly mentioned again. These Purchase Conditions shall also apply if it has been agreed with the supplier that the goods will be supplied, if necessary automatically, after ascertaining the stock level or as the result of an informal electronic order.
3. These Purchase Conditions shall apply exclusively; we shall not accept any contrary or different conditions of the supplier, unless we have expressly approved them in writing. Our Purchase Conditions shall apply even if we accept the supplier's goods without reservation in the knowledge of contrary conditions or conditions of the supplier differing from our Purchase Conditions.
4. All agreements concluded between us and the supplier for the purpose of fulfillment of this contract shall be recorded in writing in this contract.
5. These Purchase Conditions shall also apply to all forms of electronic order.

## § 2 Acceptance of Order . Offer Documents . Time Period

1. The supplier shall be obliged to accept our order within a period of three working days.
2. We shall reserve ownership and copyright to diagrams, drawings, calculations, samples, cost estimates and other documents of a material and immaterial nature; they may not be passed on to third parties without our express written permission. They shall be used solely to produce the goods in accordance with our order. They shall be returned to us automatically at the end of the business relations. The contents of these diagrams, etc. shall not be disclosed to third parties; the provisions of § 12 shall also apply in this respect. This provision shall also apply to databases, programs and computer systems which are made available to the supplier or to which he has online access.

## § 3 Prices . Terms of Payment - Invoices

### Offsetting and Retention Rights

1. The agreed price shall be binding. In the absence of a different written agreement, the price shall include delivery "free domicile" along with packaging. The return of the packaging shall be subject to a special agreement.
2. Statutory value-added tax shall not be included in the price.
3. Invoices shall be issued separately for every order or delivery and may only be processed if they - according to the specifications in our order - show the order number stipulated therein. The supplier shall be responsible for all consequences arising in connection with the failure to comply with this obligation, unless he can prove that they occurred through no fault of his own.
4. Unless otherwise agreed in writing, we shall pay the purchase price with 3% discount within 15 days calculated from the date of delivery and date of receipt of the invoice or net within 30 days after receipt of the invoice.
5. Offsetting and retention rights shall accrue to us to the legal extent.

## § 4 Delivery Period - Default - Contractual Penalty

1. The valid delivery period in the order system shall be binding. We shall not be obliged to accept the goods before the delivery period expires.
2. The supplier shall be obliged to inform us immediately in writing if circumstances occur or will become known to him and they prevent compliance with the agreed delivery period.
3. In the event of delay in delivery, we shall be entitled to demand flat-rate default damage amounting to 1% of the value of the delivery per week, but not more than 10%; we shall reserve the right to enforce any further legal claims (withdrawal, compensation). The supplier shall have the right to prove that no damage or lower damage occurred as a result of default.

## § 5 Passing of Risk - Documents

1. Unless otherwise agreed in writing, the goods shall be delivered free domicile. Our delivery terms shall be observed.
2. The supplier shall be obliged to quote our exact order number or identification number on all shipping documents and delivery notes; if he fails to do this, we shall accept no responsibility for delays in processing.

## § 6 Inspection for Defects - Defect Liability

1. We shall be obliged to carry out random inspections of the goods for quality and quantity deviations within a reasonable period of time. A complaint shall be regarded as prompt if it is made within 5 working days from the date of receipt of the goods - in the case of hidden defects or discovery.
2. If we have concluded a quality assurance agreement with the supplier, the special provisions of that agreement shall take precedence over these Purchase Conditions.

## § 7 Warranty Claims - Limitation of Actions

1. Legal defect claims shall accrue to us without any reductions. We shall be entitled at any rate to request the supplier to either remedy the defect or supply new goods; rework shall be regarded as having failed after the first unsuccessful attempt. We shall reserve the express right to claim compensation, especially the right to compensation instead of performance.
2. We shall be entitled to remedy the defect ourselves at the expense of the supplier if there is a risk of default or the matter is extremely urgent.
3. The supplier shall inform us immediately about the non-availability of the delivery item and shall immediately reimburse us for the corresponding consideration in the event of withdrawal.
4. Even in the event of minor deviations from the agreed state or slight impairment of usability, we shall be entitled to withdraw from the contract and claim compensation instead of complete performance. The limitation period for our claims in connection with defective goods and services - for whatever legal reason - shall be 36 months calculated from the date of passing of risk. Longer statutory limitation periods, as well as regulations relating to suspension of expiration of prescription, suspension and the commencement of new periods shall not be affected.

## § 8 Product Liability . Release Liability Insurance

1. If the supplier is responsible for damage to the product, he shall be obliged to release us, at first request, from third-party compensation claims in so far as the cause comes under his area of control and organisation and he is personally liable vis-à-vis third parties.
2. Under the scope of his liability for damage cases within the meaning of subparagraph 1, the supplier shall also be obliged - in accordance with § 683 and § 670 of the German Civil Code (BGB), as well as § 830 and § 426 of the German Civil Code (BGB) - to reimburse us for any expenses which are incurred in connection with a recall action carried out by our company. Where possible and reasonable, we shall inform the supplier about the contents and extent of the recall measures to be carried out and shall give him the opportunity to make a statement in this respect. Other legal claims shall not be affected.
3. The supplier shall be obliged to take out flat-rate product liability insurance with an insured sum of € 2 million for each personal injury and material damage case; any further compensation claims accruing to us shall not be affected.

## § 9 Release from Advertising Statement Liability Liability for the Supplier

1. The supplier shall release us from all claims of our customers and his customers, which are enforced on the basis of advertising statements by the supplier, a subcontractor of the supplier or a vicarious agent of one of the abovementioned parties and which would not exist without the advertising statement or not in this form or to this extent. This provision shall apply, irrespective of whether the advertising statement was made before or after conclusion of this contract.
2. The supplier shall always be responsible - even through no fault of his own - for the goods and services which he procures as well as for his own goods and services. This provision shall apply in particular to defects.

## § 10 Industrial Property Rights - Patents

1. The supplier shall be responsible for ensuring that his goods do not infringe any third-party rights, in particular patents and industrial property rights.
2. If use of the delivery item leads to the infringement of industrial property rights or copyright, the supplier shall take steps, at his own expense, to ensure that the customer has the right of further use - if necessary by modifying the product.
3. If a third party consequently takes legal action against our company, the supplier shall be obliged to release us and our customers, at the first written request, from these claims; we shall not be entitled to conclude any agreements, in particular reach a settlement, with the third party without the permission of the supplier.
4. The supplier's release obligation shall relate to all expense which we inevitably incur from or in connection with the claim by a third party.
5. The limitation period shall be 10 years calculated from the date of the last order.

## § 11 Reservation of Ownership - Order Tools

1. If we hand over parts to the supplier as part of an order, we shall reserve ownership to these parts. Processing or conversion by the supplier shall be performed by our company. If our reserved goods are processed with other products that do not belong to us, we shall acquire joint ownership of the new product in the ratio of the value of our goods (purchase price plus value-added tax) to the other processed goods at the time of processing.
2. If the goods supplied by us are inseparably mixed with other products that do not belong to us, we shall acquire joint ownership of the new product in the ratio of the value of the reserved goods (purchase price plus value-added tax) to the other mixed goods at the time of mixing. If mixing takes place in such a way that the supplier's product can be regarded as a main product, it shall be deemed to have been agreed that the supplier transfers joint ownership to us on a pro rata basis. The supplier shall hold sole or joint ownership for us.
3. We shall reserve ownership to supplied tools and any means of production and operating resources required for manufacturing purposes - hereinafter called tools. The supplier shall be obliged to use the tools solely for the purpose of manufacturing the goods which we ordered. The supplier shall be obliged to insure our tools at replacement value against fire and water damage and theft at his own expense. The supplier shall now assign to us all compensation claims arising from this insurance; we hereby accept this assignment. The supplier shall be obliged to carry out, at his own expense, any necessary maintenance, inspection and repair work on our tools in good time. The supplier shall inform us immediately about any problems; any compensation claims shall not be affected if he culpably fails to inform us about these problems.
4. If the protection rights accruing to us according to subparagraph 1 and/or subparagraph 2 exceed the purchase price of all our unpaid reserved goods by more than 10%, we shall be obliged, at the request of the supplier, to release the protection rights at our own free choice.
5. The special provisions of a tool hire contract shall take precedence over these regulations.

## § 12 Maintenance of Secrecy

The supplier shall be obliged to maintain strict secrecy regarding all diagrams, drawings, calculations and other documents and information which he receives. These diagrams, etc. may only be passed on to third parties with our express permission. This obligation to maintain secrecy shall also continue to apply at the end of this contract; it shall expire if the production knowledge contained in the diagrams, drawings, calculations and other documents made available to the supplier becomes public knowledge.

## § 13 Place of Jurisdiction - Place of Performance Choice of Law

1. If the supplier is a merchant, our head office shall be the place of jurisdiction; however, we shall also be entitled to take legal action at the court where the supplier is domiciled.
2. Unless otherwise shown in the order, our head office shall be the place of performance.

AEG Electric Tools GmbH