



IMPREGLON Surface Engineering GmbH **General Purchasing Conditions, updated January 2016**

§ 1 General, Scope of Application

- (1) These Purchasing Terms and Conditions apply exclusively; we do not accept Suppliers' terms and conditions contrary or different to these unless expressly agreed in writing. These Purchasing Terms and Conditions apply even if we accept deliveries from the Supplier without reservation while aware of contrary or different Supplier terms and conditions.
- (2) All covenants made between us and the Supplier in performance of a contract are to be set forth in writing in the respective agreement.
- (3) These Purchasing Terms and Conditions only apply to business entities within the meaning of Section 14 BGB (German Civil Code).
- (4) These Purchasing Terms and Conditions apply to all future transactions with the Supplier as well.
- (5) References to general terms and conditions appearing upon invoices, delivery notes, orders confirmations or offers have no legal effect.

§ 2 Offers, Offer Documents, Tools

- (1) We reserve the right to cancel orders if not confirmed by the Supplier in writing within a period of two (2) weeks.
- (2) We retain ownership of and copyrights to any diagrams, drawings, calculations and other documents; these may not be made available to third parties without our express written consent. These shall be exclusively utilized for production as per our orders, and returned promptly at our request (see § 10 Confidentiality).
- (3) Tools and other resources we provide for the purpose of completing our orders remain our property, and must be handed over to us immediately after fulfillment of the contract or in the event of delivery problems upon our request. The Supplier must clearly designate the above items as our property and advise third parties asserting claims thereto of our ownership. Intervention costs shall be borne by the Supplier.

§ 3 Pricing and Payment Terms

- (1) Prices are negotiated separately for each individual supply order. Unless otherwise agreed in writing, pricing includes delivery free domicile, including packaging/handling. Packaging will only be returned if specially agreed.
- (2) Value-added tax is not included in prices.
- (3) We will only process invoices bearing the order number shown on our order document; the Supplier shall be responsible for any consequences of failing to meet this obligation unless able to document not being at fault.
- (4) Unless otherwise agreed in writing, we shall remit payment for orders within 14 days of receipt of the ordered goods and the corresponding invoice at a 3% discount, or within 30 days of receipt of invoice with no discount.
- (5) We enjoy offsetting and retention rights as provided by law.

§ 4 Delivery Periods

- (1) The delivery period specified in the order document shall be binding. Advance deliveries may only be made with our approval. For determining compliance with delivery periods of deliveries not involving installation/assembly or set-up the date of receipt at the specified address applies. For deliveries involving set-up, installation/assembly or services, the point of their being completed/provided so as to allow acceptance applies for determining compliance with the delivery period.
- (2) The Supplier shall notify us immediately in writing in the event circumstances occur or become known in consequence of which the agreed delivery deadline cannot be met.
- (3) In case of delayed deliveries we enjoy claims as provided by law. In particular, we are entitled to assert damage claims for nonfulfillment upon expiry of a reasonable grace period for making delivery.
- (4) When the Supplier misses a delivery deadline, after issuing a letter of demand we have the right to demand a contractual penalty of 1% of the net order value per week begun of delay, up to a maximum 10% of the net order value of the delivery, and/or to withdraw from the contract. Contractual penalties paid are deducted against claims for damages in greater amounts. The Supplier has the right to prove that the delay actually caused significantly less or no damages.

§ 5 Place of Performance, Documents

- (1) The place of performance shall be the location of our registered office.
- (2) Unless otherwise agreed in writing, deliveries are 'free domicile'.
- (3) The Supplier shall exactly state our order number on all shipping documents and delivery notes; processing delays resulting from failure to do so are not our fault.

§ 6 Inspection for Defects, Warranty

- (1) We inspect goods for defects within a reasonable period after receipt at their destination. The inspection and notice period for defects extend accordingly for goods rerouted or forwarded in the ordinary course of business as long as we notify the Supplier in due course thereof.
- (2) We may demand subsequent fulfillment or a price reduction for goods exhibiting defects at the time of transfer of risk. At our discretion, subsequent fulfillment may be required by way of defect remedy or replacement delivery. The Supplier shall bear defect-related costs accruing.
- (3) In the event the Supplier is unsuccessful at providing subsequent fulfillment, refuses to do so without justification or fails to do so within a reasonable grace period, we may remedy the defect ourselves and demand reimbursement of the necessary expenses.
- (4) We reserve our statutory rights to withdrawal, to claim damages – including particularly damages in lieu of fulfillment – and to recourse pursuant to Sections 478 and 479 BGB.

§ 7 Product Liability, Indemnification, Liability Insurance

- (1) If the Supplier is responsible for a product defect, the Supplier shall indemnify us against third-party damage claims upon initial request if and insofar the cause of the defect lies within the Supplier's sphere of control and organization and the Supplier himself is liable to a third party.

- (2) The Supplier's liability for damages within the meaning of paragraph (1) extends to liability for reimbursing any expenses covered under Sections 683, 670 BGB and Sections 830, 840 or 426 BGB arising from or in connection with a recall action conducted by us. We will notify the Supplier of the content and scope of any recall action to the extent possible and reasonable, providing the Supplier opportunity to make comment. Any other statutory claims are reserved.
- (3) The Supplier agrees to maintain product liability insurance with a minimum 2.5 million euros in coverage.

§ 8 Third-Party Rights

- (1) The Supplier warrants that no rights held by third parties within the Federal Republic of Germany will be violated in connection with his deliveries.
- (2) Should a third party raise claims against us for such, the Supplier, if responsible for such raising of claims, shall indemnify us against such claims upon initial demand in writing; we in turn are not entitled to make any agreements with third parties as regards such claims without the Supplier's consent, including particularly settlements.
- (3) The Supplier's indemnification obligation extends to all necessary expenses incurred by us on the basis of or in connection with third-party claims.

§ 9 Force Majeure

War, civil war, export controls and trade restrictions due to changes in political conditions, strikes, lockouts, operational disruptions, operational disturbances and restrictions and similar occurrences that render contract fulfillment impossible or unreasonable for us shall be considered *force majeure*, releasing us from timely acceptance obligations for as long as such occurrences are taking place. The parties to the agreement must notify each other accordingly of such occurrences and agree to renegotiate their respective obligations in good faith in view of the changed circumstances.

§ 10 Confidentiality

The Supplier is obliged to treat as confidential all nonpublic business or technical information and data becoming known by virtue of the business relationship. The Supplier may only use our company name or logo in a list of references or in publications with our prior written consent.

§ 11 Quality

The Supplier guarantees that the goods supplied comply with contractually agreed specifications. The Supplier warrants that supplied goods are free of defects of design, materials or workmanship, meeting the latest technological standards.

§ 12 Packaging

- (1) Goods are to be delivered in proper packaging as required by the type of product concerned, in compliance with applicable environmental regulations.
- (2) The Supplier must take repossession of disposable packaging materials at his own expense.
- (3) If reusable packaging is used, the Supplier shall provide such on a loan basis. Packaging is returned to the Supplier at the Supplier's expense and risk. Should we agree to bear packaging costs on an exceptional basis, these costs are to be calculated and documented at prime cost, without extra charge.



§ 13 Replacement Parts and Availability

- (1) The Supplier agrees to supply replacement parts over the ordinary useful life of the product, subject to a minimum ten (10) years from the last delivery at appropriate conditions.
- (2) Should the Supplier discontinue supplying replacement parts after elapse of the period specified per § 13.1 or discontinue supplying the ordered product during this period, the ordering customer shall be given opportunity to place a final order.

§ 14 Data Privacy

In line with § 33 of the Federal Data Privacy Act, advisory is given that Supplier data stored in connection with the business relationship is exclusively used for our own purposes and by our corporate affiliates in order to expand the business relationship. Personal Supplier data is not forwarded to third parties. The Supplier has the right to know what data concerning the Supplier is stored, and to have such data corrected, blocked against access or deleted. Requests exercising such rights may be sent to the following address: **kaufbeuren@impreglon.de**.

§ 15 General Provisions

- (1) German law applies to all legal relationships between us and the Supplier, irrespective of the Supplier's country of domicile; the application of the CISG (Convention on Contracts for the International Sale of Goods) is disallowed.
- (2) If the Supplier is an enterprise, the place of jurisdiction is that of our registered office; we are entitled however to file suit against the Supplier at the Supplier's place of jurisdiction.

IMPREGLON Surface Engineering GmbH
Jeschkenweg 28
87600 Kaufbeuren