

# GENERAL PURCHASING TERMS AND CONDITIONS

## I. Priority of these Purchasing Terms and Conditions for Material and Services

1. These General Purchasing Terms and Conditions are valid for all – including future – orders for material and services their transactions. Deviations from these Purchasing Terms and Conditions are thus only valid upon our expressed written consent. Sales and Delivery Terms and Conditions of our Suppliers are not valid, even if we have not explicitly raised objection. In particular, the acceptance without objection of Goods, Order Confirmations or Delivery Notices containing the General Sales and Delivery Terms and Conditions of our Suppliers does not constitute a change to or deviations from our General Purchasing Terms and Conditions. Upon placement of our order the validity of our Purchasing Terms and Conditions is definitively agreed to.
2. If specific Terms and Conditions in deviation from our General Purchasing Terms and Conditions are agreed to for a particular order, then these General Purchasing Terms and Conditions will have a lower priority and will act supplementary.
3. The preparation and creation of Quotations shall be performed without cost or obligations for us.

## II. Pricing

The prices agreed to are for a delivery to the location we have specified, including all shipping costs, packaging costs and additional fees. For Deliveries that are not free of charge, we accept only the lowest shipping charges, unless we have specified a special Shipping type.

## III. Payment

1. In the absence of other agreements, the following Payment Terms are valid: Invoices are paid either within 14 days with 3% discount, within 30 days with 2% discount, or within 60 days without discount. Should the Payment Terms of the Supplier be more favorable for us, these will become valid.
2. The time limits ensue from the date of the receipt of the Invoice, however, not before receipt of the Goods, or in the case of services, not before these have been accepted. Also, should Documentation or other documents be part of the agreed Delivery Scope, the time limits can ensue no earlier than the contractual receipt of these documents. The time limits stated above do not ensue prior to the Delivery Date listed the other side of this document and/or the Delivery Date agreed upon.
3. Payments are made via Check or Direct Bank Transfer. Payments are punctual if the Check is mailed or the Direct Bank Transfer Order is placed with the Bank on or before the due date.
4. We reserve the right to itemize or withhold payment according to the extent legally permitted.

## IV. Delivery Times

1. The agreed Delivery Times and Limits are binding and must be stringently adhered to. Up to 8 days prior to the expiration of the Delivery Date the Supplier may make deliveries only with our expressed consent.
2. We are to be informed of impending Delays of Delivery immediately. In the case of a partial or complete Delay of Delivery, we have the right to charge a penalty of 1% of the complete Order Sum per week of delay, however, no more than 10% of the Complete Order Sum in total. The penalty can be charged even if the delivered Shipment is accepted and does not infringe on other legal claims we may raise, also in the event of ensuing damages.
3. In the event of a Delivery Delay we are additionally entitled to make all claims allowed by law. In particular, we reserve the right to claim Monetary Damages Compensation instead of accepting the ordered Goods or Services if these are not delivered prior to the expiration of a reasonable extension of the delivery period granted after the original Delivery Date has expired.

## V. Reservation of Ownership

Concerning the Reservation of Ownership the Contractor's (Supplier's) Terms and Conditions shall remain valid under the condition that the Ownership of the Purchased Good shall be transferred to us upon payment of these Goods. Thus the expended form of the so-called Overdraft/Advance and Combine Reservation are invalid. Because of the Reservation of Ownership, the Buyer can only demand the handing over of the Goods if he has terminated the contract.

## VI. Execution of Delivery and Hazard Transfer

1. The Contractor carries the risk of the contingent sinking or contingent degradation. This is also in effect for "charged" and "free of charge" Deliveries. Fulfilment Location is, unless otherwise specified, our Company location, otherwise the Delivery Address we have specified. The risk of contingent sinking or other hazards are transferred to us only after the Shipment or Service has been accepted by us or our Client, however, no later than 2 months after the Delivery of the Goods/Services at the specified location.
2. Partial Deliveries are subject to our approval.
3. Plus or Minus Deliveries are only acceptable to a customary degree.
4. Packaging costs are the responsibility of the Supplier, unless specified otherwise in writing. If we are to cover the costs for packaging, as agreed in writing, the lowest cost packaging is to be used and charged. Restocking requirements are according to the Packaging Ordinance dated 21.08.1998.

## VII. Declaration of Origin

The following is valid in the event that the Supplier issues Declarations concerning the Origins of the purchased Goods:

1. The Supplier is required to allow the verification of the Declaration of Origin by the Department of Customs and is required to supply any information necessary to that effect as well as any required certifications.
2. The Supplier is required to compensate any damages arising from the non-acceptance of the Declaration of Origin by the responsible Department due to incorrect or missing declarations or if the possibility to confirm any declarations cannot be provided. This liability affects the Supplier only if his actions were the cause of this effect or if a stated guarantee or specification is not fulfilled.

## VIII. Inspection and Testing

Our Clients and we reserve the right to inspect the quality of work during manufacturing and/or of the good to be delivered at the place of manufacture (Components with protective coverings or paint layers prior to the attachment of the same). Any costs that arise at the place of manufacture will be carried by the supplier.

## IX. Quality of the Goods / Services

Deliveries/Services may not be in violation of

- a) the Regulations covering Accident Prevention as well as other Regulations under Public Law, as well as the generally accepted Work Safety and Medical Work Safety Rules,
- b) the General Requirements and Regulations put forth by Professional Trade Associations in effect for the ordered Goods and Services,
- c) The protected Rights of Third Parties (e.g. patents, pending patents, registered utility models, registered taste models, copyrights) as well as business or operational rights of Third Parties. In the event that Third Parties raise claims against us for the violation of the abovementioned regulations or rights, the Supplier is to release us from such claims immediately and fully. We reserve the right to raise additional damage claims.
- d) The Act on Corporate Due Diligence in Supply Chains.

To file a complaint please send an email to [info@kieselmann.de](mailto:info@kieselmann.de).

## X. Liability for Defects and Statute of Limitations

1. The Seller is to deliver the Goods free of material and legal defects. Upon delivery, the quality and completeness of the Goods will be evaluated in a reasonable manner according to our technical possibilities. Declarations of Defects (complaints) are on time if these are received by the Supplier within ten (10) working days via written letter, facsimile, e-mail or telephone. The time limitation for the Declaration of Defects (complaints) ensues from the time when we (or our Client – in the case of a direct delivery) have detected the defect or should reasonably have detected the defect.
2. If the Goods have a defect we can take action as we prefer according to the rights provided by law. We can claim damages from the Supplier including any costs ensuing from the performed testing and evaluation that we are charged with by our Client, should the defect have existed prior to the Transfer of Liability to us from the Supplier.
3. Our Defects Liability Claims are subject to the applicable legal Statute of limitations.
4. The Supplier transfers at this time – in fulfilment of the contract – any Liability Claims that he may have against any of his Sub Suppliers in conjunction with the Delivery of defective Goods or those Goods that do not conform to the agreed specifications. The Supplier will provide us with any documents pertaining to these claims prior to their enforcement.

## XI. Tools, Models, Drawings, and other Documents

1. Any Tools, Models, Drawings or other Documents provided by us or created for us may be used solely for the purpose of processing our order. They are confidential and may not be published or forwarded to Third Parties without our consent. They must be kept on record pending notification or until a period of two years following their last employment and are to be handed out to us afterwards.
2. The creation, modification and employment of any Tools, Models, Drawings and other Documents which the Supplier creates on our account is performed with the result that we, as a manufacturer, obtain ownership of said materials.

## XII. Fulfilment Location and Legal Domicile

1. Fulfilment Location for the Delivery is, unless otherwise stated, our Company in Knittlingen, Germany.
2. Legal Domicile for jurisdiction is Maulbronn, Germany. In addition, we reserve the right to sue the Supplier at his Legal Domicile.

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