

General Purchasing Terms and Conditions

§ 1

General

1. The following General Purchasing Terms and Conditions of AZ INTEC GmbH, Olbernhau, apply to all contracts, orders, and services of our suppliers. We place orders for deliveries and services solely on the basis of our General Purchasing Terms and Conditions. They apply to all current and future business relationships. Deviating, contrary, or supplementary general business terms and conditions of the supplier do not form part of the contract – even in the case of awareness or unconditional acceptance of deliveries and services of the supplier – unless their validity was expressly approved in writing.
2. Claims under all contracts with us may be assigned or pledged only with our express written consent.
3. Our General Purchasing Terms and Conditions apply only to entrepreneurs within the meaning of section 310, para. 1, of the German Civil Code (*Bürgerliches Gesetzbuch*, BGB).

§ 2

Offer, offer documentation

1. Offers must be prepared in writing at no charge to us, and same are non-binding.
2. We retain title and copyright in and to images, drawings, calculations, and other documentation. They may not be made accessible to third parties without our express written consent. They are to be used solely for

manufacturing on the basis of our order. All documentation must be returned to us, without being prompted to do so, when the business relationships come to an end. It must be kept confidential vis-à-vis third parties.

3. The supplier is obligated to accept our order within one week, failing which it is considered refused.
4. If the supplier does not unconditionally accept an order without change but instead submits an offer deviating from our order, a contract does not come into effect until same is confirmed by us in writing.

§ 3

Delivery time

1. Unless agreed otherwise, the delivery time indicated in the order is binding.
2. The supplier is obligated to give us prompt written notice if circumstances arise or become apparent to it that indicate that the stipulated delivery time cannot be met.
3. In the case of default in delivery, we are entitled to the statutory claims. In particular, after fruitless expiry of a reasonable grace period, we are entitled to demand compensation of damages in lieu of performance and rescission. If we demand compensation of damages, the supplier is entitled to demonstrate that it was not responsible for the breach of duty.
4. In the case of default in delivery, we are entitled to make covering purchases from other suppliers or have substitute goods manufactured by third parties. If we have substitute goods manufactured by third parties, the supplier unconditionally and irrevocably waives the assertion of any industrial property rights existing in its favour.

§ 4

Terms and conditions for prices, delivery, and payment

1. Unless indicated otherwise, the price indicated in the order is binding and includes applicable value-added tax.
2. All deliveries are made free of any charges to us for freight and expenses, including the costs for packing, and at the supplier's risk up to the place of acceptance designated by us. Unless expressly agreed otherwise, we do not bear the costs for transport insurance.
3. All invoices must be sent to us immediately as a single copy. Our order number is to be indicated on invoices. The invoice must satisfy the requirements of section 14 of the German Value-Added Tax Act (*Umsatzsteuergesetz*, UStG).
4. Payment is made within 14 days of receipt of an invoice in accordance with subsection 3, with deduction of a 2% discount for early payment, or within 30 days, net.
5. We are entitled to rights of set-off and retention to the statutory extent.
6. Claims against us may be assigned only with our express consent. The supplier bears any subsequently introduced or increased public levies and taxes, freight costs, wages, materials, and other factors forming the price.

§ 5

Inspection for defects, liability for defects

1. We reserve the ability to perform quality testing at the supplier. Quality testing at suppliers may also be performed with our customers.
2. We are entitled to the statutory claims for defects without curtailment. In all cases, we are entitled to demand that the supplier eliminate the defects or

deliver a new item, at our discretion. The right to compensation of damages, including the right to compensation of damages in lieu of performance, remains expressly reserved.

3. We are entitled to eliminate defects at the supplier's expense if the supplier is in default.
4. Claims are prescribed after 36 months, starting on the date of transfer of risk, unless the mandatory provisions set forth in sections 478 and 479 BGB apply.

§ 6

Product liability, indemnification, liability insurance coverage

1. If the supplier is responsible for product damage, it is obligated to indemnify us on first demand against third-party claims for compensation of damages to the extent that the cause is rooted in its field of control and organisation and it is directly liable to us or third parties.
2. In connection with its liability for damage events within the meaning of subsection 1, the supplier is also obligated to reimburse any expenses pursuant to sections 683 and 670 BGB or pursuant to sections 830, 840, and 426 BGB that are incurred under or in connection with a recall campaign conducted by us. To the extent feasible and reasonable, we will notify the supplier about the content and scope of the recall measures to be carried out and give it an opportunity to comment on them. Our other statutory claims remain unaffected.
3. The supplier undertakes to maintain product liability insurance with a lump-sum coverage amount of EUR 10,000,000.00 per instance of personal injury or property damage. If we are entitled to farther-reaching claims for compensation of damages, same remain unaffected.

§ 7

Industrial property rights

1. The supplier warrants that no third-party rights are infringed nationally or internationally in connection with its delivery, including patent rights, trademark rights, design rights, and other industrial property rights.
2. If for this reason a claim is brought against us by a third party, the supplier is obligated to indemnify us against same upon first written demand. If in order to avoid a lawsuit or in connection with a lawsuit, we enter into a settlement or comparable agreement with the third party, same is binding on the supplier only if it previously consented to the agreement.
3. The supplier's duty to indemnify relates to all expenses that we necessarily incur from or in connection with any claims third parties put on us.
4. Claims are prescribed after 36 months, starting on the date of transfer of risk.

§ 8

Retention of title, furnished parts, tools, and confidentiality

1. If we furnish parts to the supplier, we retain title thereto. Processing or conversion is undertaken by the supplier on our behalf. If goods subject to retention of title are processed with other objects not belonging to us, we acquire co-title to the new item in the ratio that the value of our item (purchase price plus applicable value-added tax) bears to the other processed objects at the time of processing.
2. If the item furnished by us is inseparably commingled with other objects not belonging to us, we acquire co-title to the new item in the ratio that the value of the item subject to retention of title (purchase price plus applicable value-added tax) bears to the other commingled objects at the time of processing. If commingling takes place in such a way that the supplier's item is considered

to be the principal item, it is deemed agreed that the supplier assigns co-title to us in a pro-rata manner. The supplier holds sole title or co-title for us in safekeeping.

3. We retain title to tools. The supplier is furthermore obligated to employ the tools solely for manufacturing the goods ordered by us. The supplier is obligated to adequately insure the tools belonging to us at replacement value and at its own expense against damage due to fire, water, and theft. At the same time, the supplier hereby assigns to us all claims to compensation under such insurance. We hereby accept the assignment. The supplier is obligated to perform any necessary repair, maintenance and inspection work on our tools at its own expense. The supplier must promptly notify us about any malfunctioning. If the security rights to which we are entitled under subsection 1 or 2 exceed by more than 10% the purchase price of all of our goods subject to retention of title that have not yet been paid for, we are obligated to release the security rights of our choice when so requested by the supplier.
5. The supplier is obligated to keep confidential all received images, drawings, calculations, and other documentation and information. They may be disclosed to third parties only with our express consent. The obligation of confidentiality also survives performance of this contract. It expires if and insofar as the manufacturing knowledge contained in the conveyed images, drawings, calculations, and other documentation has entered the public domain.
6. When the business relationships come to an end, the supplier undertakes to promptly return to us all documentation within the meaning of subsection 5 and furnished items.

§ 9

Final provisions

1. Olbernhau is the place of jurisdiction, provided that the supplier is a merchant. However, we are entitled to bring suit against the supplier at the court where it is domiciled.
2. Unless indicated otherwise in the order confirmation, Olbernhau is the place of performance.
3. The law of the Federal Republic of Germany is solely applicable. The applicability of the United Nations Convention on Contracts for the International Sale of Goods is precluded.
4. If individual provisions in these General Purchasing Terms and Conditions should be or become ineffective, all other provisions remain in full force and effect. In place of the ineffective provisions, the parties undertake to agree on those that most closely approximate the ineffective provisions in economic terms.
5. Deviations from contractual arrangements and side agreements must be made in writing. This also applies to waiver of the requirement of written form.
6. The German version of these General Purchasing Terms and Conditions is solely controlling with respect to their interpretation.

Olbernhau, 10 January 2015