

**Gebrüder Ahle GmbH & Co. KG**  
**Standard Terms and Conditions of Purchase**

**§ 1 General – scope**

(1)  
Our Terms and Conditions of Purchase shall apply exclusively; any other conditions of the supplier which contradict or vary from these Terms and Conditions of Purchase shall not be accepted by us unless we have expressly agreed to their validity in writing. Our Terms and Conditions of Purchase shall also apply if we accept the delivery of the supplier unconditionally in knowledge of the supplier's non-conforming or deviating conditions from our Terms and Conditions of Purchase.

(2)  
Any and all agreements made between us and the supplier for the purpose of performing this contract shall be recorded in writing in this contract. Call-off orders may also be made via remote data transmission.

(3)  
Our Terms and Conditions of Purchase shall only be applicable vis-à-vis entrepreneurs as defined by § 310 paragraph 1 of the German Civil Code (BGB).

**§ 2 Quotation – quotation documents**

(1)  
The supplier shall be obliged to accept our order within a period of 2 weeks. If this does not happen, we shall be entitled to revoke the order. Call-off orders shall become binding at the latest if the supplier does not object within one week from receipt.

(2)  
We retain title and copyright to illustrations, drawings, calculations and other documents; they shall not be made available to third parties without our explicit written consent. They shall be used exclusively for the purpose of effecting our order; on completion of the order they shall be returned to us unsolicitedly. They shall be kept secret from third parties; in this respect the provision under § 9 paragraphe (5) shall also apply.

**§ 3 Prices – Terms of Payment**

(1)  
The price stated in the purchase order shall be binding. Lacking any deviating written agreement, the price shall include delivery "free domicile", including packaging. Returning the packaging shall be subject to special agreement.

The supplier shall constantly check the quality of the delivery items. The supplier shall inform us about the possibility of a quality improvement immediately.

(2)  
Statutory value-added tax is not included in the price.

(3)  
Invoices can only be processed, if they contain - in accordance with the specifications of our order - the order number shown on our order form; the supplier shall be responsible for any consequences resulting from the non-compliance with this obligation unless he is able to prove that he is not responsible for these consequences.

(4)  
Unless otherwise agreed in writing, we shall pay the purchase price within 14 days from delivery and receipt of the invoice at a 2% discount or within 30 days of receipt of the invoice without discount.

(5)  
We shall have the right to set-off and retain payments to the extent permitted by law.

**§ 4 Delivery time**

(1)  
Delivery time shall be binding as specified within the order. Relevant for compliance with the delivery date or the delivery deadline is receipt of the goods at our premises.

(2)  
The supplier shall be obliged to notify us immediately in writing should circumstances occur, or should he anticipate circumstances as a result of which the requested delivery time may not be complied with.

(3)  
In the event of a delay in delivery we shall be entitled to claims under the statute. We shall in particular be entitled to claim damages in lieu of performance and withdraw from the contract after an appropriate period has lapsed without result. In the event that we claim damages, the supplier shall be entitled to prove to us that he is not responsible for the failure to comply with the terms of the contract.

**§ 5 Quality**

In relation to his deliveries, the supplier has to comply with the recognized rules of engineering, the safety regulations and the agreed technical data. Changes to the item delivered shall require our prior written agreement.

(2)  
Within the scope of his liability for claims in terms of Paragraph (1) the supplier shall also be obliged in accordance with §§ 683,

## **§ 6 Transfer of risks – documents**

(1)

If no other agreement has been made in writing, delivery shall be effected free domicile.

(2)

The supplier shall be obliged to quote our exact order number on all despatch papers or delivery notes; if he fails to do so, any delays in processing are not our responsibility.

## **§ 7 Inspection of defects – responsibility for defects**

(1)

We shall be obliged to examine the goods for any deviations in quality and quantity within a reasonable period of time; any respective complaint shall be considered as made in due time if it reaches the supplier within a period of 5 working days as of receipt of goods or, in the event of any hidden defects, following their discovery.

(2)

The statutory claims for defects shall accrue to us unabridged; in any case, we shall be entitled to demand remedying of the defect or delivery of a new object from the supplier at our own discretion. The right to claim damages, in particular for damages instead of performance, shall remain explicitly reserved.

(3)

We shall be entitled to eliminate the defects ourselves in case the supplier is in default.

(4)

Limitation period shall be 36 months as of the passing of risk unless the mandatory provisions of §§ 478, 479 BGB (German Civil Code) apply.

## **§ 8 Product liability – exemption – liability insurance protection**

(1)

Insofar as the supplier is responsible for product damage, he shall be obliged to indemnify us upon first demand from claims for damages by third parties, insofar as the cause lies within the supplier's area of control and organization and he himself is liable in his external relationship.

the value of our item (purchase price plus VAT) to the other processed objects at the time of processing.

(2)

If the item made available by us is inseparably mixed with other objects not belonging to us, then we shall acquire co-ownership of the new item in proportion to the ratio of the value of the item

670 BGB (German Civil Code) as well as §§ 830, 840, 426 BGB (German Civil Code) to reimburse any expenses which may arise from or in connection with a product recall which we may conduct. We will inform the supplier of the content and scope of the recall measures to be performed - to the extent possible and reasonable - and allow opportunity for comment. Other statutory rights shall remain unaffected.

(3)

The supplier shall maintain a product liability insurance with a flat rate sum insured of at least 10 million Euro per personal injury claim / property claim; if we are entitled to further claims for damages, these shall remain unaffected.

## **§ 9 Property rights**

(1)

The supplier shall ensure that in connection with his delivery no rights at all of third parties within the Federal Republic of Germany will be violated.

(2)

If claims are asserted against us by a third party due to such infringement, the supplier shall be obliged to indemnify us from these claims upon first request; we are not entitled to conclude any agreements with the third party - in particular to make a compromise - without the consent of the supplier.

(3)

The supplier's indemnity required refers to all expenses necessarily incurred by us out of or in connection with any claims made against us by a third party.

(4)

The period of limitation shall be 36 months as of the passing of risk.

## **§ 10 Retention of title – supply – tools – secrecy**

(1) Insofar as we provide parts to the supplier, we shall retain title to said parts. Any processing or changes made by the supplier shall be made on our behalf. If the goods subject to our retention of title are processed with other objects not belonging to us, then we shall acquire co-ownership of the new item in proportion to

subject to retention of title (purchase price plus VAT) to the other objects mixed-in at the time of mixing. If the mixing is such that the supplier's product is considered the principal item, it shall be agreed that the supplier assigns co-title to us on a pro rata basis; the supplier shall preserve the sole title or co-title for us.

(3)

We shall retain title to tools; the supplier shall be obliged to use the tools exclusively for the manufacture of the goods ordered by us. The supplier shall be obliged to insure the tools belonging to us at replacement value at his own expense against fire, water and theft damages. At the same time, the supplier already now assigns all claims for compensation from this insurance to us; we hereby accept such assignment. The Supplier shall be obliged to perform any necessary service and inspection work on our tools, as well as all repair and maintenance work on the same, in good time and at his own expense. The supplier shall notify any instances of malfunction to us immediately; should he culpably fail to do so, any damage claims remain unaffected.