



GmbH

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## Purchasing Terms and Conditions of FKB GmbH

### I. GENERAL

Our orders and business transactions shall be subject to the following Purchasing Terms and Conditions only. Deviating Terms and Conditions of Sale of the Supplier shall be considered as accepted only if we have confirmed them in writing. Acceptance of goods or services without any restrictions or payment of the same shall not be construed as an acceptance of the Supplier's Terms and Conditions by our company.

### II. 1.) ORDER/ORDER CONFIRMATION

Our orders must be issued in writing. They shall be valid without personal signature as far as the order form carries a corresponding note. The Supplier shall be obligated to accept the order in the same way within a period of 2 weeks. After this period has lapsed, we shall be entitled to withdraw our order. Any provisions, specifications, standards and any other documents which are attached to or mentioned in the order shall be part of the order. The Supplier shall consider the order as a business secret and treat it confidentially. The Supplier shall be liable for any damage arising for us from an infringement of the aforementioned obligation.

### II. 2.) MASTER AGREEMENT

If a master agreement for certain products has been concluded with the Supplier, no order confirmation shall be required for an order or request for delivery. Individual orders within the master agreement shall become effective if the Supplier does not refuse acceptance within 5 working days after receipt. An order confirmation which deviates from the order shall only become effective if confirmed by us in writing. Requests for delivery in accordance with the agreed delivery schedule shall not require a confirmation.

### III. MODIFICATION OF DELIVERY ITEM

If we request a modification of the delivery item, the Supplier must inform us immediately in writing about any additional increases or decreases in price and any effects on the dates of delivery and provide evidence therefor.

### IV. FORCE MAJEURE

Any interruptions in production due to inevitable events (e.g. force majeure, industrial dispute) shall entitle us to withdraw from the order; should there be any obstacles preventing acceptance for which we are not responsible, the date of delivery and the date of payment shall be extended according to the duration of the delay.

### V. PRICES

Unless agreed otherwise in writing, prices shall be quoted free to our factory (CIF INCOTERMS® 2010).

### VI. TIME OF DELIVERY

Agreed dates and times of delivery shall be binding. If the Supplier is responsible for a delay, he shall be in default without the necessity of a reminder. The Supplier shall inform us immediately about any foreseeable delays in delivery. In case of default of delivery, we shall be entitled to the statutory claims. Any additional costs, in particular for the purchase of replacement goods, shall be charged to the Supplier. An unconditional acceptance of the delayed delivery shall not be construed as a waiver of our claims for damages.

### VII. DELIVERY

All shipping documents must include the data prescribed by us, in particular order number, item and identification number, country of origin of the item ordered, dimensions as well as lot size and weight per item. Any costs arising due to non-compliance with our forwarding instructions shall be borne by the Supplier. As to lot sizes, weights and dimensions, the figures determined in the course of our incoming inspection shall be decisive unless any other evidence can be provided. Unless agreed otherwise in writing, all deliveries shall be made franco domicile. Partial deliveries shall require our consent and must be marked as such in the shipping documents. The goods shall be shipped in appropriate packaging in accordance with the general provisions for transportation and freight. The costs for transportation insurance and packaging shall be borne by the Supplier. If the Supplier must take back the used packaging pursuant to the packaging regulations, he shall bear the costs for the return transportation and the recycling.

### VIII. INVOICE AND PAYMENT

For each individual delivery of goods or services, the Supplier shall submit a bill separately from the shipment. The wording of the bill must correspond to the wording of the order description and the data on the delivery note, in particular with respect to the country of origin of the individual item and include our order number as well as the date of performance. The exact name of the department within our company which placed the order and the order date must be specified. Any invoices which do not include these details shall be sent back by us and shall not be due for payment. The deadline for payment of the invoice shall start on the working day following the receipt of a correct and verifiable invoice or the acceptance of the goods or services, whichever is later.

Unless explicitly agreed otherwise with the Supplier in writing, we shall settle payments, at our option, 14 days after receipt of the invoice or the goods with a cash discount of 3 % or after 30 days without deduction, on a 15th or 30th of the month following the delivery. We shall reserve the right to pay by check and to offset payments with justified counter-claims. In case of faulty deliveries, we shall be entitled to retain payment until the order has been fulfilled properly, without losing the sales/cash discounts or similar payment benefits.

### IX. WARRANTY,

#### WARRANTY PERIOD, DEFECT OF QUALITY

The Supplier shall warrant that the goods delivered are free from any defects of quality or title and correspond to the contractually agreed properties. We shall be entitled to inspect the goods in the proper course of business in accordance with recognized sampling methods. The Supplier shall waive the right to claim late notice of defects if the defects found in the course of the procedure referred to above are reported to him in writing immediately or, in case of hidden defects, as soon as they have been detected. Unless agreed otherwise in writing, the warranty period shall be 24 months from the passing of the risk. If defects occur on the items delivered within the warranty period, the Supplier, at our option, shall remedy the defects or supply replacement items free of charge, after he has been informed in writing and an adequate period of time has been granted to him. In urgent cases and for preventing disproportionately high damage, we shall be entitled to remedy the defect ourselves or to have it remedied by a third party and to request reimbursement of the costs required. The same shall apply if the Supplier has failed to remedy the defect after expiration of the deadline set by us in writing.

If the items delivered cannot be used entirely or partially during the time of subsequent performance, the warranty period shall be extended by the same period of time. If the Supplier has failed to remedy the defect on the items delivered even after two attempts, we shall be entitled, at our option, to either withdraw from the contract or to reduce the purchase price, after having sent a written notification to the Supplier. Furthermore, we shall be entitled to claim damages or reimbursement of the expenses we incurred in vain.

### X. PRODUCT LIABILITY

In the event that a customer or a third party raises any claims against us on grounds of product liability, the Supplier shall be obligated to indemnify us against such claims if and as far as the damage was caused by a fault of the product delivered by the Supplier. In such cases, the Supplier shall bear all costs and expenses including the costs for legal proceedings or product recall. As far as possible and reasonable, we shall coordinate the content and volume of such a recall with the Supplier. In all other respects, the statutory provisions shall apply.

In connection with the deliveries, the Supplier shall comply with all applicable statutory provisions of the European Union and the Federal Republic of Germany, e.g. the REACH Regulation (Regulation EC No. 1907/2006), the Act Governing the Sale, Return and Environmentally Sound Disposal of Electrical and Electronic Equipment (ElektroG) as national transposition of Directive 2002/95/EC (RoHS) and Directive 2002/96/EC (WEEE) and the End-of-Life Vehicle Act as national transposition of EU Directive 2000/52/EC. The Supplier shall inform us immediately about any relevant modifications to the products, their availability for delivery, applicability or quality due to statutory provisions, in particular the REACH Directive, and coordinate with us the appropriate measures which are to be taken in the individual case. The same shall apply as soon and as far as the Supplier becomes aware of the fact that such modifications are likely to occur.

### XI. INDUSTRIAL PROPERTY RIGHTS

The Supplier warrants that no industrial property rights of a third party are violated in connection with his delivery. If a third party raises any claims against us because of such a violation, the Supplier shall indemnify us against all claims and bear all expenses required in this connection.

### XII. DOCUMENTS, SPECIMENS, CONFIDENTIALITY

All documents, data, IT information, software and objects (specimens, designs) which we provide to the Supplier in the framework of the execution of an order shall remain our property. Without our written consent, they shall not be used for other purposes, duplicated or made accessible to third parties. Products which are manufactured by means of our property, according to our instructions or with major participation of our company in the development, may be delivered to third parties only if we have given our written consent.

### XIII. APPLICABLE LAW

German law shall be applied, the UN Convention on Contracts for the International Sale of Goods (CISG) is excluded.

### XIV. MISCELLANEOUS PROVISIONS

1. Our contracts and these Purchasing Terms and Conditions shall be governed by German law only, the Convention on Contracts for the International Sale of Goods (CISG) is excluded.

2. The Terms and Conditions shall apply also to work and service contracts, contracts for work and materials and similar contracts.

3. Should individual provisions of these Purchasing Terms and Conditions be invalid, this shall not affect the validity of the remaining provisions; the Parties shall replace any invalid provision by another provision which comes closest to the purpose of the invalid one.

4. The exclusive legal venue for all disputes from and in connection with this Agreement, also for proceedings for the enforcement of bills of exchange and the payment of checks shall be our place of business.

We shall, however, be entitled to choose also another place of jurisdiction.

5. The place of performance for all services to be provided by both Parties shall be Oberndorf-Aistaig.

(Release: July 2012)