



GENERAL TERMS AND CONDITIONS OF PURCHASE of bash-tec GmbH

I. Determining conditions

- a. The legal relationships between Supplier and Purchaser are based on these conditions and any other agreements. Any amendments or supplements have to be made in writing. Other general terms and conditions are not applicable, even if they are not expressly rejected.

II. Order

- a. Delivery contracts (order and acceptance) and call-offs as well as any amendments or supplements have to be made in writing. Delivery call-offs may also be made by EDI (electronic data interface).
- b. If the Supplier does not accept the order within one week after receipt, the Purchaser shall be entitled to cancel the order. Delivery schedules are binding at the latest if the Supplier does not object within one week after receipt.
- c. Within the bounds of reasonableness for the Supplier, the Purchaser may demand changes to the delivery item in terms of design and finish. In this case the consequences, especially with respect to additional costs or reduction of costs as well as to delivery dates, are to be resolved in an appropriate and mutually agreeable manner.

III. Payment

- a. Payment shall either be made within 30 days at a 3% discount or within 60 days net as from delivery / performance date and receipt of the invoice. In case of the acceptance of early deliveries, the due date shall depend on the agreed delivery date.
- b. Payment shall be made by bank transfer.
- c. In case of defective deliveries, the Purchaser shall be entitled to withhold payment pro rata to the value until the defective goods have been replaced.
- d. Without prior written consent from the Purchaser which may not be denied unfairly, the Supplier shall not be entitled to assign claims against him or have them collected by third parties. In case of an extended reservation of title our consent shall be deemed as granted. If, contrary to sentence 1, the Supplier assigns his claims against the Purchaser without his consent, said assignment shall nevertheless be effective. Regardless of the assignment the Purchaser may choose whether payment is made to the Supplier or the third party.



IV. Notice of defects

- a. The Purchaser must indicate in writing any defects in the consignment to the Supplier immediately after being discovered in accordance with the terms of a normal business transaction. In this respect, the Supplier shall waive the claim of late notification of defects.

V. Non-disclosure

- a. The parties hereto commit themselves to keep confidential any non-overt business and technical details, which become known to them through business connections and to treat them as trade secrets.
- b. Drawings, design models, templates, samples, tools, and any similar objects shall not be made available or handed over to unauthorized third parties. The reproduction of such items is only permitted within the framework of operational requirements and the copyright stipulations.
- c. Sub-suppliers shall be obliged accordingly.
- d. The contract parties may only advertise with their business contacts after prior written approval.

VI. Delivery dates and times

- a. Agreed delivery dates and times are binding. Relevant for compliance with the delivery date or the delivery times is receipt of the goods at the Purchaser. In case the delivery was not agreed upon as "ex works", the Supplier shall make the goods available in good time, taking into account the normal time required for loading and shipping.

VII. Delay in delivery

- a. The Supplier shall be committed to compensate the Purchaser for all damages caused by delay.
- b. In cases of minor negligence, the compensation is limited to extra shipping costs, retrofitting costs and, after failure to comply with an extended deadline or after loss of any further interest in the delivery, the payment of extra costs incurred for back-up purchases

VIII. Force majeure

- a. Force majeure, industrial action, disturbances, official measures and other unforeseeable unavoidable and grave events shall release the contracting parties from their contractual obligations for the duration of the disruption and to the extent of its effect. This shall apply even if such events occur at a time when the contracting party concerned is in default. The contracting parties are committed to give each other the necessary information which may reasonably be expected without delay, and to adjust their obligations in good faith to the changed circumstances.



IX. Quality and documentation

- a. The Supplier shall observe the approved rules of technology, security regulations and the stipulated technical data for the Supplier's deliveries and services. Any changes to the delivery item shall require the prior written consent of the Purchaser. Before the beginning of the series delivery, the Supplier shall provide free samples of new and modified items, including the complete initial sample test reports. Notwithstanding the above, the Supplier shall permanently control the quality of the goods delivered. The contractual parties shall inform each other regarding the possibilities of quality improvement.
- b. In the event that the type and scope of testing as well as the instruments and testing methods are not agreed between the Supplier and the Purchaser, the Purchaser shall, at the request of the Supplier and within the limits of his knowledge, experience and possibilities, discuss the tests with the Supplier in order to determine the desired standard of testing technology. In addition, the Purchaser shall, upon request, also provide the Supplier with information on the relevant safety regulations.

X. Liability for defects

- a. If defective goods are delivered the Purchaser is entitled, according to the relevant legal requirements and the following clauses unless otherwise agreed upon, to claim the following:
 - i. Before start of production (processing or fitting), the Purchaser is to give the Supplier the opportunity to sort out as well as to remedy any defects or to provide replacement delivery unless this is unacceptable to the Purchaser. In case the Supplier cannot perform this or if he does not comply with it immediately, the Purchaser is entitled to withdraw from the contract to this extent and return the goods at the Supplier's risk. In urgent cases he may, after consultation with the Supplier, remedy the defects himself or have it done by a third party. The Supplier shall bear any costs arising hereby. In the event that the same goods are repeatedly supplied in a defective condition, the Purchaser shall be entitled to withdraw from the contract also with respect to the goods not yet supplied if, upon written notification, the Supplier has again delivered defective goods.



- i. In the event that the defect is discovered only after start of production despite duly regarding the obligation pursuant to article IV (notification of deficiencies), the Purchaser is entitled according to Section 439 (1, 3 and 4) BGB to claim subsequent fulfilment and indemnification for transport costs as well as dismantling and installation costs (labour and material costs if agreed upon), which are required for the subsequent fulfilment, or to reduce the sales price.
 - ii. In the event of a culpable breach of obligation over and above the supply of defective goods (e.g. obligations of information, consultation or examination), the Purchaser may demand compensation for the consequential damage and also for the consequential damage reimbursed by the Purchaser to his customer in accordance with the law and the provisions of Section XI. This consequential damage caused by a defect is determined by the damages which the Purchaser has itself suffered from the delivery of defective goods at other objects of legal protection. Further claims regarding expenses and damages due to the delivery of defective goods on the basis of Section 437 BGB or directly on the basis of the rules named therein may only be claimed by the Purchaser, if this has been contractually agreed. Regarding new agreements, Section XV (a) shall be observed.
- b. The goods to be replaced by the Supplier shall be provided by the Purchaser to the Supplier without delay at the request and expense of the Supplier.
 - c. Any claims from warranty expire after 5 years after delivery due to the guarantee agreements with some of the Purchaser's customers.
 - d. Warranty claims shall not arise if the defect is due to the violation of operation, service or installation instructions, inappropriate or unsuitable use, incorrect or careless treatment, normal wear and tear as well as to any interventions into the delivered goods by the Purchaser or a third party.
 - e. In the event of faulty deliveries, claims of the Purchaser relating to the product liability law, non-permitted action and management without mandate shall remain unaffected by this Section X.

XI. Liability

- a. Unless a different liability clause is agreed at another point of these conditions, the Supplier is obliged to the following extent to compensate for the damages incurred directly or indirectly by the Purchaser as a result of a defective delivery, a breach of official safety regulations or any other legal reason imputable to the Supplier
 - i. Liability for damages does exist in case the Supplier has a degree of fault for the damages caused by him.



- ii. In the event that the Purchaser is sued on the basis of strict liability as a result of mandatory provisions applicable to a third party, the Supplier shall be required to indemnify the Purchaser to the extent that he himself would be subject to such strict liability. Compensation between Purchaser and Supplier shall be settled by applying the principles of Section 254 BGB correspondingly. This shall also apply in the case of direct claims on the part of the Supplier.
- iii. The liability to pay damages is excluded if the customer, for his part, has effectively limited his liability towards his customer. The Purchaser shall thereby endeavour to agree limitations of liability also to the benefit of the Supplier to the extent legally permissible.
- iv. Any claims of the Purchaser shall be excluded inasmuch as the damage is caused by the violation, attributable to the Purchaser, of operation, service or installation instructions, to unsuitable or inappropriate use, to incorrect or careless treatment, normal wear and tear or incorrect repair.
- v. The Supplier shall be liable for measures taken by the Purchaser in defense against damages (e.g. recall action).
- vi. The Purchaser shall consult the Supplier and provide comprehensive information, should he wish to make any claim in accordance with the aforementioned regulations. He shall give the Supplier the opportunity to investigate the damage occurred. The contractual parties shall agree upon the measures to be taken, in particular in the case of negotiations for a settlement.
- vii. The principles stated in Section VII (1) shall be applied accordingly, insofar as the Supplier has arranged no or only inadequate insurance.

XII. Property rights

- a. The Supplier shall be liable for all claims arising during the use of the delivery items from the infringement of property rights and property right applications (property rights).
- b. He shall exempt the Purchaser and his buyers from all claims based on such property rights.
- c. This does not apply insofar as the Supplier has manufactured the delivery object in accordance with the drawings, models or other similar descriptions or data submitted by the Purchaser and is not aware or, in connection with the products developed by him, does not have to be aware that an infringement of property rights has occurred.
- d. Insofar as the Supplier is not liable in accordance with paragraph c, the Purchaser shall indemnify him from all third party claims
- e. The contractual parties undertake to notify each other without undue delay if they become aware of any risks of violations or any apparent cases of viola-



tion and provide each other the opportunity to take action to defend against any such claims by mutual agreement.

- f. Upon request of the Purchaser, the Supplier shall notify use of published and unpublished internal property rights or licensed property rights and for property rights applications pertaining to the delivery object.
- g. The principles contained in Section VII (a) concerning restriction of liability shall be applicable accordingly.

XIII. Use of Purchaser's manufacturing facilities and confidential data

- a. Models, matrixes, patterns, samples, tools and other manufacturing devices as well as confidential information which are provided to the Supplier by the Purchaser or paid for by him in full or in part, may be used for supplies to third parties only after having obtained the previous written approval of the Purchaser. These items may only be scrapped after having obtained the previous written approval of the Purchaser.

XIV. Retention of title,

- a. The Supplier retains ownership of all goods supplied by him until full payment of the relevant delivery; in this regard all shipments are deemed to be a connected delivery transaction. In the event of an open account, retention of title shall be deemed to be a security for receivables. If the Purchaser combines the delivered goods with other goods to form a unified item and if the other goods are being considered the main item, then the Purchaser shall be committed to assign partial ownership to the Supplier as far as the Purchaser is the owner of the main item. In case the Purchaser resells the delivered goods according to the terms of the contract, he thereupon assigns to the Supplier all claims against his customer including any ancillary rights until all of the Supplier's demands are completely settled. For well-justified reasons, the Purchaser, at the Supplier's request, is obliged to notify third party purchasers of the transfer and to provide the Supplier with the required information and documents that are required to assert his rights. The Supplier shall release its securities, insofar as their value exceeds the secured claims by more than 20 percent.

XV. General terms

- a. In the event one of the contracting parties ceases payment, or insolvency proceedings regarding the assets or non-judicial settlement proceedings are applied for, then the other party shall be entitled to withdraw from the contract with respect to the part not yet fulfilled.
- b. If one of the provisions of these Terms and Conditions and of additional agreements should be or become ineffective, the validity of the rest of the contract shall not be affected. The contractual parties are obliged to replace



the ineffective provision by a regulation that comes as close as possible to providing the same financial result.

- c. Unless otherwise agreed, the laws of the Federal Republic of Germany shall be exclusively applied. The application of the United Nations Convention on Contracts for the International Sale of Goods of 11.04.1980 is excluded.
- d. Place of fulfilment is the Purchaser's place of business. As regards the delivery, a place other than the above can be agreed.
- e. Place of jurisdiction is Siegen

As of January 2016

bash-tec GmbH

Hoorwaldstr. 42
D-57299 Burbach
Tel.: +49 (0) 27 36 / 5 09 99-0
Fax: +49 (0) 27 36 / 5 09 99-100

Steuer-Nr. 342 / 5760 / 2281
USt.-Ident-Nr. DE 236 746 522
ILN-Nr. 42500 867 0000 4
HRB 57 28, Amtsgericht Siegen

Sparkasse Burbach-Neunkirchen
(BLZ 460 512 40) 1 009 208
IBAN DE59 4605 1240 0001 0092 08
BIC Code WELADED1BUB

Deutsche Bank AG
(BLZ 460 700 90) 0 188 599
IBAN DE81 4607 0090 0018 8599 00
BIC Code DEUTDE33HAN

HRB 57 28
Amtsgericht Siegen
Geschäftsführer:
Arnd Büdenbender