

General Conditions of Purchase of FEDDEM GmbH & Co. KG

1. Scope and Format

- 1.1 FEDDEM GmbH & Co. KG (hereinafter 'FEDDEM') shall conclude contracts with third parties (hereinafter 'Contracting Party') regarding all types of deliveries to third parties, whether goods, performance of work, services or other, exclusively in accordance with these Terms and Conditions of Business.
- 1.2 Contrary or different terms and conditions of a Contracting Party do not apply unless expressly agreed by FEDDEM. Placing an order with or awarding a contract to a Contracting Party shall not imply agreement with said Contracting Party's terms and conditions, likewise acceptance without reservation or payment for appropriate deliveries and services. Upon initial entry into a contract between FEDDEM and the Contracting Party, these Terms and Conditions shall be regarded as also automatically agreed for all subsequent contractual relationships without reference having to be made to said Terms and Conditions again.
- 1.3 All agreements reached between FEDDEM and the Contracting Party must be recorded exclusively in writing unless a more rigorous format is stipulated. Additional verbal agreements shall not be effective unless they are subsequently confirmed in writing.

2. Dates and Deadlines

- 2.1 All agreed delivery dates and deadlines for work shall be binding within the meaning of a relative fixed deal unless an absolute fixed deal has been expressly agreed. If a deadline is missed, the Contracting Party shall fall into arrears by implication, a further formal reminder on the part of FEDDEM shall not be required.
- 2.2. Goods shall be regarded as delivered on time in the case of deliveries of goods without assembly or installation, upon receipt at FEDDEM premises or at the delivery address indicated by FEDDEM. In the case of deliveries of goods where installation or assembly is required and in the case of works performances, timeliness shall be determined by the date of acceptance. If goods/works to be installed/assembled are delivered direct to a third party at the instigation of FEDDEM and if the goods/works are not accepted at the third party premises immediately upon installation/assembly for organisational or other reasons, timeliness shall determined by the assembly/installation date.
- 2.3 If the Contracting Party realises that it is unlikely to provide its services on time, FEDDEM has to be informed immediately and the Contracting Party has to take any reasonable steps at its own expense in an effort to ensure that the service is still provided on time.
- 2.4 An advanced provision of services/works shall only be possible with the prior agreement of FEDDEM.

3. Customs, Import and Export

The Contracting Party guarantees that duties are duly paid on any deliveries made to/services provided for FEDDEM and comply fully with the import and export regulations of all countries in which the Contracting Party's deliveries/services are intended to be used as agreed. In the event of doubt, these shall apply worldwide.

The EU VAT ID number must be indicated in the case of deliveries and services from an EU country to Germany. The Contracting Party shall issue FEDDEM with a certificate of origin upon request indicating the origin of the goods supplied.

4. Prices and Payments

- 4.1 All prices agreed between FEDDEM and the Contracting Party are fixed prices unless discounts, incentives etc are individually agreed. Fixed prices shall not include VAT. Packaging, customs duties, goods insurance and other ancillary costs shall be borne solely by the Contracting Party.
- 4.2. Invoices must show the FEDDEM order number and VAT must be shown separately. Any invoices must be sent to FEDDEM separately by post or electronically and must indicate the name of the contact shown on the respective order.
- 4.3. Unless otherwise agreed, payments shall be made within 14 days with 2% discount, otherwise within 30 days from receipt of invoice by FEDDEM, provided that the respective delivery/service is as per specifications. Payment shall be regarded as having been made promptly in the case of a bank transfer, if the standing order has been given to the bank within the payment term; in the case of payment by cheque, if the cheque has been put in the post on time.

- 4.4 Payment shall not imply any acknowledgement that an invoice or delivery/service is correct; the making of claims of any kind on the part of FEDDEM shall not be affected by this. In the event of defects or insufficient performance FEDDEM shall be entitled to keep back an appropriate portion of the invoice amount until the matter is cleared up; claiming a discount shall not be affected by this.

- 4.5 The assignment of Contracting Party claims for payment to a third party shall require the prior written consent of FEDDEM.

5. Delivery and Transfer of Risk

- 5.1 Unless expressly agreed otherwise, including the agreement of Incoterms, goods shall be delivered at the expense and risk of the Contracting Party to the place of delivery specified by FEDDEM. The Contracting Party shall ensure adequate transport insurance cover.
- 5.2 Risk shall be transferred upon delivery of goods following the incoming inspection pursuant to commercial law; in the case of works or other services of any kind that are ready for acceptance, the risk shall be transferred upon acceptance.
- 5.3 On transfer of risk, goods/work supplied shall pass without reservation into the ownership of FEDDEM even if rights of retention pursuant to section 3.3 are claimed upon payment in relation to existing defects.

- 5.4 On receipt of goods at FEDDEM, the obligation to inspect and requirement to make a complaint in respect of a defect immediately in accordance with commercial law, shall be limited initially to the quantity and identity of the goods supplied, externally identifiable transport and packaging damage as well as a random inspection of the key features of goods, where appropriate, unless individual items are involved.

6. Ownership, Industrial Property Rights, Samples and Tools

- 6.1 Samples, production equipment, tools, measuring and testing equipment, supplied materials, drawings, standard specifications sheet for work, artwork or similar given to the supplier by FEDDEM shall remain the property of FEDDEM. They may not be used by the Contracting Party for purposes outside the respective contract, copied or made accessible to a third party and shall be kept exercising due care and attention free of charge and separately from other items in its possession, marked as the property of FEDDEM, kept strictly confidential and returned to FEDDEM on completion of the contract without a specific request to this effect or at any time on request.
- 6.2 The warranty obligation of the Contracting Party shall not be affected by the approval of plans, working drawings, calculations etc. FEDDEM shall be solely entitled to all rights of use in respect of designs, proposals, drawings or information of any kind. On request the Contracting Party shall also provide FEDDEM with drawings of key spare parts giving enough information in order to procure spare parts. Items produced in accordance with FEDDEM documentation may not be made accessible to a third party, disposed of or sold.
- 6.3 Designs, tools, samples, artwork etc. which are charged to FEDDEM, shall become the property of FEDDEM upon payment. They shall be kept by the Contracting Party on FEDDEM's behalf free of charge and shall be returned at any time on request.
- 6.4 Any documentation that may be produced in relation to a delivery/service shall become the property of FEDDEM. FEDDEM shall be entitled to unrestricted use of said documentation solely for the purpose of carrying out repair and maintenance work as well as for procuring spare parts and to make said documentation accessible to third parties for the same purpose.
- 6.6 The transfer of rights of any kind to tangible and intangible goods, which are made available to the Contracting Party for the purpose of completing or initiating a contract, shall be excluded.
- 6.7 The Contracting Party guarantees that any deliveries and services provided to FEDDEM shall be unencumbered by third party rights. If a claim is made against FEDDEM by third parties on account of a breach of the assurance referred to above, the Contracting Party shall exempt FEDDEM immediately from any recourse and costs. It shall also ensure in such cases through appropriate agreements, in particular licence agreements with the respective owner of the rights that FEDDEM is entitled to use and benefit from the services provided by

the Contracting Party without restriction. The Contracting Party shall be solely liable for any licence fees incurred. Unless expressly agreed otherwise, services/deliveries provided by the Contracting Party must be usable worldwide.

- 6.8 The Contracting Party shall be liable without restriction for any direct and indirect costs that FEDDEM incur as a result of not being possible to further use the deliveries/services provided by the Contracting Party on account of third party rights, as well as for any costs in connection with necessary design modifications, rescheduling etc.

7. Liability and Exemption

- 7.1 The liability of the Contracting Party shall be solely in line with the relevant statutory provisions, any limitation of liability or reduction in periods of limitation shall be excluded.
- 7.2 FEDDEM shall hold the Contracting Party liable without limitation for damage caused as result of deliberate intent or gross negligence as well as for personal injury; in the event of a minor negligent breach of significant contractual obligations, FEDDEM shall only be liable in accordance with statutory provisions for damage that is typically foreseeable in terms of nature and scope. Moreover, liability on the part of FEDDEM, regardless of the legal grounds, for the compensation of direct or indirect damage shall be excluded, including any claims arising from a breach of pre-contractual obligations as well as from illegal action.
- 7.3 If a claim is made by a third party against FEDDEM from a product liability perspective or on account of the defectiveness of its products, and if the defectiveness of the FEDDEM goods/services is causally attributable to defective goods or services provided by the Contracting Party, the latter shall exempt FEDDEM immediately upon initial request from any claims and any costs in relation to this.
- 7.4 If machinery is supplied, the Contracting Party guarantees a spare parts supply for a period of 10 years following the abandoning of production of the respective machine.

8. Offsetting and Assignment

- 8.1 Offsetting by the Contracting Party of amounts owed by it to FEDDEM against amounts owed by FEDDEM to the Contracting Party shall only be permitted if the amounts owed by the Contracting Party designated for offsetting have been legally upheld by a court of law or acknowledged by FEDDEM.
- 8.2 The assignment of any Contracting Party claims arising from contractual relations with FEDDEM shall not be permitted without prior written consent from FEDDEM.

9. Miscellaneous

- 9.1 Without prejudice to any parallel additionally agreed confidentiality provisions, all information disclosed to the Contracting Party in the context of contractual cooperation shall be treated as confidential. This shall apply irrespective of whether or not trade secrets in the legal sense are involved. Passing on such information to a third party shall only be permitted for the purposes of fulfilling the contract and if the Contracting Party has likewise bound the respective third party to maintain confidentiality in advance.
- 9.2 In the case of lease agreements, in particular when leasing technical equipment, claims by FEDDEM arising from a lease agreement shall expire by limitation within one year of the end of the lease.
- 9.3 German law shall apply to all contracts concluded in accordance with these Terms and Conditions of Business under exclusion of the United Nations Convention on Contracts for the International Sale of Goods.
- 9.4 The exclusive place of jurisdiction for any disputes arising in connection with these Terms and Conditions of Business and the contracts concluded in accordance with them shall be the competent court for the business community in D-53489 Sinzig.
- 9.5 This English version of the FEDDEM GmbH & Co. KG General Terms and Conditions for the Awarding of Contracts and Purchasing only is a translation of the original german version. In case of differences or contradictions only the german version of the Terms and Conditions is valid.