

General Conditions of Purchase

of Eisenbau Krämer GmbH

I. **Applicability, Placing of Orders**

1. We conclude all our contracts exclusively on the basis of the following conditions of purchase unless agreed otherwise in writing. This also applies to future business transactions with the supplier.
2. Conditions of the supplier to the contrary apply only if these are expressly agreed by us in writing. This also applies even if we do not expressly disagree with the conditions that are contained in the offer letter or in the contract confirmation or to which reference is made. The acceptance of the delivery and of the service does not mean that we agree to the general business terms and conditions of the supplier.
3. Orders, agreements and other declarations are binding on us only if they are drafted by us in writing or confirmed in writing. Changes to the concluded contract, in particular an alteration of this written form clause, must also be in written form to be effective.

II. **Prices and Payment**

1. The agreed prices are fixed prices, even if the delivery has to be made more than four months after conclusion of the contract. The delivery to us is carriage paid. Packaging costs will be borne by us; however, we are entitled to return to the supplier carriage-paid packages that are in a good state, against repayment of two thirds of the calculated value.
2. Invoices will be paid after complete delivery according to the contract and receipt of invoice, within 30 days net or within 10 days with 3% early payment discount. The payment of the sheet metal expansion invoices will take place by the 15th of the month following the delivery. If invoices are not submitted by the 7th of the month following the delivery and/or the preconditions of the above paragraph (II/2) are not met by this date, then payment will be made one month later under the same conditions.

III. **Delivery**

1. Agreed delivery dates and delivery periods are always binding. If they are not met, then in the event of default or delay by the supplier we are entitled at our option to make a legal claim or to ask for replacement purchase at the supplier's expense.
2. In the event of default or delay on the part of the supplier we are entitled – irrespective of our other rights but however taking these into account – to claim for a contract penalty in an amount of 0.2% of the contract value per day, but at most 5% of the contract amount as a whole.

3. In the case of non-compliance the supplier is obliged to pay us 5% of the purchase price plus customs duty for each non-delivered item as contract penalty, without the need of proof of loss.
4. In the cases of III/2 and III/3 we reserve the right to claim for larger damages.
5. The contact penalty according to III/2 and III/3 is waived if the supplier proves that they were not responsible for failing to meet the delivery time or for non-compliance with the terms and conditions; the penalty is reduced if the supplier can prove that we suffered only small damage or no damage at all.
6. The supplier is obliged to notify us immediately in writing if the agreed delivery dates cannot be met.
7. If the supplier cannot deliver for reasons for which neither they nor we are responsible, then we may, after giving notice of one week, withdraw from the respectively due part of the contract.
8. We are entitled to retain the option of the contract penalty until the invoice has been fully paid. The acceptance of a late delivery does not mean we waive the right to claim the contract penalty.

IV. Dispatch, Risk Assumption

1. The delivery is made carriage paid to the agreed mailing address and at the supplier's risk.
2. The risk is transferred to us if the delivery was received at the agreed place of destination and in good order.

V. Supplier's Declaration, Work Safety, Environment

1. The supplier is obliged when supplying preferential goods to provide a proper supplier's declaration according to Regulation (EC) No 1207/2001 as amended by Regulation (EC) No. 1617/2006 Appendix I and II with a list of countries requested by us entitled to preferential trade.
2. The supplier is obliged to provide on request a properly completed information sheet (INF4).
3. All operating equipment and materials must, even if not expressly mentioned in the contract, display a GS mark and/or a CE mark.
4. In the case of delivery of hazardous substances, after each order placed and in each case in good time before the delivery, we must be sent the current safety data sheets without having to request as such.
5. The supplier is obliged to compensate us for all damage that we suffer as a result of an incorrectly completed supplier's declaration, omission of the GS mark and/or CE mark, or failure to supply the correct safety data sheet.

VI. **Liability for Defects of Quality and Type**

1. The delivery and service has to correspond in the case of transfer of risk to the agreed quality and condition.
2. With all deliveries and services the supplier has to comply with the respectively valid legal, official, professional and other regulations. In particular, the supplies and/or services must comply with the recognised technical rules, legal and/or official regulations – in particular safety regulations - any relevant guidelines of the professional and trade organisations – in particular the applicable CE and DIN standards as well as VDE (association of German electricians) regulations – as well as any delivery and/or service specifications specified by us and the place of use and intended use specified by us, which the supplier is obliged to ascertain in good time.
3. We shall indicate any defects in delivery and service as soon as they have been established in accordance with proper business procedures; in this respect the supplier is not entitled to the objection of late complaint (§ 377 Commercial Code).

Independently of this a complaint is in any case considered timely if it is filed within 7 calendar days of the discovery of the defect. Goods that are returned to the supplier in the context of a complaint remain our property until the claim for non-fulfilment has been settled or, in the case of withdrawal from the contract, the purchase price has been repaid.

4. If the delivered goods were affected by a defect of quality or title, then the supplier has to release us from all claims for damages that are made against us by third parties on account of product liability law or another domestic or foreign regulation on account of this defect of quality or title.
5. If on account of a defect of quality or title of the delivered goods measures are required for prevention of loss (e.g. product recalls), the supplier has to reimburse us for costs that are thereby incurred.
6. The supplier has to protect the rights of third parties, in particular commercial, copyright and patent protected rights as well as trademarks of third parties. The supplier is obliged to compensate us for damage resulting from an infringement of foreign rights.

The supplier is aware that we can resell the supplied goods after further processing, including outside the Federal Republic of Germany unless this is excluded by the contract.

7. Our rights are governed by the legal regulations. They become time-barred, unless the law specifies a longer term, in two years after the handover or after the delivery. In addition, if the supplier, despite a reasonable extension, does not meet their obligation to rectify the defect or make a replacement delivery, we are entitled to rectify the defect ourselves and claim reimbursement of the necessary incurred expenses or procure non-defective replacement goods. In addition § 637 of the Commercial Code applies.

VII. Assignment, Transfer of the Execution of the Contract

1. Without our express written agreement, which we shall not withhold unreasonably, the supplier must neither transfer their rights or their duties from the purchase order in whole or in part to third parties nor allow third parties to exercise such rights or duties.
2. § 354a of the Commercial Code remains unaffected.

VIII. Advertising

Advertising in connection with our existing business relationship may be conducted only with our written agreement.

IX. Place of Performance, Place of Jurisdiction, Applicable Law

1. Unless otherwise agreed in an individual case, the place of performance for the deliveries and services to be provided by the supplier is our respective factory, which is named in the order. The place of performance for all other obligations arising from the contractual relationship is Kreuztal.
2. The place of jurisdiction for all legal disputes arising from this contractual relationship is Siegen. We also reserve the right, at our discretion, to sue the supplier at their general place of jurisdiction.
3. German law applies to all legal relationships between us and the supplier, excluding the United Nations Convention on International Sale of Goods of 11 April 1980.

X. Final Provisions

These conditions of purchase apply exclusively in legal transactions with businesspeople. The invalidity of individual clauses of the aforementioned conditions does not affect the validity of the remaining conditions.