



Beckfort

Schrauben und Niete

100 Jahre gute Verbindungen

GENEAL TERMS AND CONDITIONS OF PURCHASE for Production Material and Operating Resources

Scope of Application

1. These Terms and Conditions of Purchase apply to entrepreneurs, legal persons under public law and public legal special assets (hereinafter "Partner").
2. These Terms and Conditions of Purchase apply to every (Delivery) Framework Agreement (hereinafter "Agreement") and all individual agreements and/or purchase orders within the scope of an agreement (hereinafter "Individual Agreement") with the Partner. Business terms and conditions of the Partner not expressly recognized by us have no validity.
3. The Terms and Conditions of Purchase also apply to all future purchase orders and contractual relationships between the Partner and us.

General Provisions

4. The contracting parties will immediately confirm in detail any verbal agreements in writing.

To the extent the written form is provided for or required in these Terms and Conditions of Purchase, the text form (§ 126 b German Civil Code) is sufficient to preserve the written form requirement.

5. Should any part of these General Terms and Conditions of Purchase be rendered or declared invalid, such invalidations should not affect the remaining parts which will remain in full force and effect.
6. We are entitled to terminate the Agreement without notice on the basis of good cause. Good cause in particular is if, after conclusion of the Agreement, our delivery claims based on the Agreement are jeopardized due to deficient performance capability of the Partner, and the Partner, despite being requested, does not credibly ensure their performance capability within a reasonable deadline. Statutory rights of termination and withdrawal and the rights under No. 29 remain unaffected.

Purchase Order

7. If the Partner does not accept our purchase order within 2 weeks of receipt, we are entitled to revoke it.
8. Delivery call-offs become binding at the latest if the Partner does not object within 7 days of receipt.



9. We can request modifications to the delivery item and/or the delivery dates, unless these would be unreasonable for the Partner. Any impact, in particular cost increases or decreases or changes to the delivery dates caused by such amendments shall be subject to appropriate mutual agreement.

Long-term and Call-off Agreements, Price Adjustment

10. Agreements and Individual Agreements, which are indefinite or have a term of more than 18 months ("long-term agreements"), can be cancelled with three months' notice, effective at the end of the month.
11. With long-term agreements, in case a significant change of wage, material or energy costs occurs, each contractual party is entitled to demand negotiations on a reasonable adjustment of the price, taking these factors under consideration.

Confidentiality

12. The Partner shall use all documents (this also includes samples, models and data) and knowledge that they receive from the business relationship only for the jointly-pursued purposes and keep confidential towards third parties with the same duty of care as relevant own documents and knowledge if we classify them as confidential or have a stated interest in their confidentiality.

This obligation begins upon first receiving the documents or knowledge and ends 36 months after the end of the business relationship.

13. The obligation does not apply to documents and knowledge that are already generally known or were already known to the Partner upon receipt, without their having been obliged to keep them confidential, which afterwards were transmitted by a third party authorized for disclosure, or which were developed by the Partner without exploiting the documents or knowledge of our company to be kept confidential.

The provisions of the law on the protection of business secrets (Gesetz zum Schutz von Geschäftsgeheimnissen, GeschGehG) shall remain unaffected.

Drawings and Descriptions

14. Drawings and descriptions handed over by us to the Partner remain our non-derogable material and intellectual property, which is to be returned to us unsolicited after completion of the Individual Agreement.

The Partner will transfer to us the ownership of drawings and descriptions prepared according to our specifications once they have been paid for in full.



Samples and Manufacturing Equipment

Samples and manufacturing equipment that the Partner produced or procured themselves

15. To the extent reimbursement of manufacturing costs for samples and manufacturing equipment (tools, molds, jigs etc.) has been agreed, these costs are invoiced separately from the goods to be delivered, unless otherwise agreed. This also applies to manufacturing equipment that requires replacement as a result of wear.
16. The costs for the maintenance and proper storage, along with the risk of damage or destruction of the manufacturing equipment, shall be borne by the Partner. The Partner shall store the manufacturing equipment free of charge for a period of three years after the last delivery to us. Afterwards, they shall request us in writing to make a statement within 6 weeks concerning further use. The obligation to store the goods ends if neither a statement is made nor a new purchase order is placed within these 6 weeks.
17. The Partner is only allowed to use customer-related manufacturing equipment for deliveries to third parties with our prior written consent. They may not be scrapped or made available to third parties or used for purposes other than those contractually agreed without our written consent, and must be diligently stored by the Partner.

Samples and manufacturing equipment that we provide

18. Manufacturing equipment and documents (including samples and data) which we provide to the Partner remain our property.
19. The Partner is obliged to label this manufacturing equipment as our property and to insure it at their own expense against fire, water damage and theft at its value as new. Upon request, the Partner shall document to us the existence of labels and the existence of relevant insurance policies.

The Partner shall inform us immediately of any damage to the manufacturing equipment and carry out maintenance and repair work on it at their own expense.

We shall bear the costs for replacement of manufacturing equipment necessary due to wear.

20. The processing, conversion, or installation of manufacturing equipment which we have provided to the Partner is carried out on our behalf.

If this leads to an inseparable mixing of our items with the items of the Partner or a third party, we shall become co-owners of the newly created item in proportion to the value of our items to the new item. If the processing, conversion, or installation is carried out in such a way that our items are to be regarded as essential components of a main item of the Partner, we shall acquire co-ownership of the main item in proportion to the value of our items to the new item. In both cases, the Partner shall preserve the co-ownership share on our behalf.



Prices

21. Unless otherwise agreed, the prices are quoted as delivered at place of receipt in EUR including, taxes, in particular value-added tax, customs and other duties, packaging, freight, tolls, postage and insurance.

Certificates of Origin, VAT-Regulatory Documentation, and Export Restrictions

22. Certificates of origin required by statutory provisions or as requested by us shall be provided by the Partner with all the necessary details, duly signed and made available without delay. The Partner will inform us without delay and unsolicited in writing if the information in the certificates of origin for the goods delivered is no longer applicable.
23. The same applies to VAT-regulatory documentation for foreign and intra-Community deliveries.
24. The Partner will inform us without delay if a delivery is wholly or partly subject to export restrictions under German or any other law.

Terms of Payment, Assignment of Claims, Offsetting

25. Unless otherwise agreed, subject to the provision in No. 27, we pay within 14 days after delivery and receipt of the proper invoice with 3% cash discount or within 30 days net. The respective later date shall be definitive for the beginning of the payment period.
26. In the event of acceptance of early delivery, the payment due date shall be determined by the agreed delivery date.
27. In the event of defective delivery or delay in delivery, we are entitled to withhold payment proportionate to the value of the goods, pending due performance.
28. Without our written consent, which may not be unreasonably withheld, the Partner is not entitled to assign their claims against us or have them collected by third parties. If an extended retention of title is agreed, consent is deemed to have been given.

If the Partner assigns their receivables from us to a third party contrary to Sentence 1 without our consent, the assignment shall be effective nonetheless. We can, however, render performance to the Partner or to the third party with a discharging effect.

The Partner may only offset against counterclaims that are legally established, ready for decision or undisputed. And a right of retention or denial of performance by the Partner only exists within these bounds.



29. If we are obliged to make advance payment within the framework of an Individual Agreement, we may refuse our payment and set the Partner a reasonable deadline within which they are required to deliver concurrently in exchange for payment or provide security if it becomes apparent after conclusion of the contract that our delivery claim is jeopardized by the Partner's lack of ability to perform. The Partner's lack of ability to perform is presumed if the creditworthiness of the Partner is assessed by our credit insurer as "high risk" or poorer, or if our credit insurer makes more than a minor limit adjustment for the Partner. If the Partner refuses to do so or if the deadline unsuccessfully expires, we are entitled to withdraw from the Individual Agreement and to demand claims for damages.

Delivery and Transfer of Risk

30. Unless otherwise agreed upon, the Partner shall deliver "free domicile". This means that the risk shall transfer to us when the Partner has brought the goods into our warehouse.
31. The delivery deadline begins with the dispatch of the order confirmation and is extended appropriately if the conditions of force majeure exist.
32. Partial deliveries are permissible in an acceptable scope. They are invoiced separately.
33. Within a tolerance of up to 10% of the overall order quantity, production-related over- or underdeliveries are permissible. The overall price is adjusted as a result of their scope.

Activity in our Company

34. Persons who work within our company in fulfillment of the Partner's obligations are subject to the provisions of our company regulations and our instructions with respect to the accident prevention, occupational safety, environmental and other rules and regulations applicable in our company. Hazardous substances may only be used within our company after consultation with our specialist personnel and must be properly labelled.

Delivery Delay

35. If it is foreseeable to the Partner that the goods cannot be delivered within the delivery deadline, the Partner will notify us without delay and in writing, stating the reasons for this, and stating the anticipated time of delivery, to the extent possible.
- 35 a. In case of delivery delay, we are entitled to demand a contractual penalty of 0.3% of the net order value of the respective delivery per completed working day,



but not more than 5 % of the net contract value. We are entitled to reserve the right to the contractual penalty until payment of the goods involved. Our further claims due to delivery delay by the Partner remain unaffected by this. The Partner's liability for damages also extends to any lump-sum damages and contractual penalties which we owe to our customer on account of the delivery delay, unless these are not unusual or we have informed the Partner of the lump-sum damages or contractual penalty agreed with the customer.

Retention of Title

36. The Partner has the right to reserve title to the delivered goods pending payment in full (simple retention of title). Other forms of retention of title, in particular an extended and/or expanded retention of title, shall only apply with our express consent.

Material Defects

37. The goods are required to meet the agreed specifications and what must be assumed by the Partner when the intended use is known, but at least the mandatory legal requirements and the state of the art in technology. Decisive for the contractual condition of the goods is the time of the transfer of risk.

- 37 a. In their deliveries, the Partner complies with the respective applicable legal regulations of the European Union (EU) and the Federal Republic of Germany. This applies, for example – where relevant – to the REACH Regulation (Regulation (EC) No. 1907/2006), the Electrical and Electronic Equipment Act (ElektroG), the Ordinance on Hazardous Substances in Electrical and Electronic Equipment (ElektroStoffV) and the End-of-Life Vehicles Ordinance (AltfahrzeugV) as German implementations of the EU Directives 2011/65/EU (RoHS 2), 2012/19/EU (WEEE Directive) and the EU Directive 2000/53/EC.

The Partner shall inform us concerning relevant changes to the goods, their availability for delivery, use or quality, those caused by legal regulations, in particular by the REACH regulation, and will agree upon suitable measures with us in individual cases. The same applies as soon as and to the extent that the Partner realizes that such changes will occur.

- 37 b. We inspect the goods immediately upon receipt for obvious and visible variances in quantity and identity and transport damage. In the event of a complaint, the Partner is to bear the costs of the inspection and replacement delivery. For every type of defect, the period for making a complaint is 5 working days from the time of detection, whereby it is sufficient to send the notification within this period. To this extent, the Partner waives the objection of delayed notification of defects.
38. Unless otherwise agreed, the statute of limitations for claims for material defects shall be governed by the law.



39. If the Partner allows a reasonable deadline set for them to lapse without having carried out subsequent improvement or delivered goods free of defects, we may remedy the defect ourselves or have it remedied by a third party at the Partner's expense. The statutory rules concerning the expendability of setting a deadline, as well as all statutory rights concerning defects, including recourse claims, remain unaffected.

Defects of Title

40. The Partner warrants that all deliveries are free from third-party rights and, in particular, that the delivery and use of the goods does not infringe upon any patents or other industrial property rights of third parties in the country of the agreed place of delivery, in the European Union, Switzerland, Turkey, Great Britain and – to the extent that the Partner has been informed – in the intended countries of use.
41. To the extent that the Partner is directly liable to the third party by law, the Partner shall indemnify us against claims of third parties arising from any infringements of industrial property rights and shall bear all necessary costs arising in this context.
42. Claims due to defects of title are subject to the same limitation period as claims for material defects.

Other Claims, Liability of the Partner

43. Where the Partner is responsible for any product damage, they are obliged to exempt us from damage claims made by third parties, respectively, if the cause lies in the Partner's organizational sphere of responsibility and the Partner is liable in relation to third parties.

Within the scope of this liability, the Partner is also obliged to reimburse any expenses pursuant to §§ 683, 670 German Civil Code (BGB) and pursuant to §§ 830, 840, 426 German Civil Code (BGB) arising from or in connection with a recall action carried out by us or our customers. We shall inform the Partner, as far as it is possible and reasonable, about the content and scope of the product recall measures to be carried out and provide the Partner with the opportunity to comment on this. Other statutory claims shall remain unaffected.

The Partner is obliged to take out product liability insurance offering adequate insurance coverage and an appropriate premium. Should we be entitled to further damage claims, these shall remain unaffected.

Our Liability

44. Any claims for damages, regardless of the legal ground, can only be exercised against us in the event of willful intent, gross negligence on the part of our legal representatives or senior executives and culpable breach of material contractual obligations, i.e. such obligations whose fulfillment is essential for the proper execution of the Agreement and



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on whose compliance the contractual partner regularly relies and may rely. In the event of culpable breach of material contractual obligations, we shall only be liable for reasonably foreseeable damage typical of the contract.

The liability restriction shall not apply in cases where we have mandatory liability under the Product Liability Act for personal injury or damage to property, and in cases of injury to life, limb, or health.

Force Majeure

45. In the event of force majeure, in particular labor disputes, civil unrest, military conflicts, terrorist attack, official measures, failure to deliver by our suppliers, epidemics and other unforeseeable, unavoidable and serious events, the parties to the agreement are to be temporarily and mutually relieved of their obligations for the duration of the disruption to the extent of their effect. The contractual parties are obliged to supply the necessary information without undue delay, to the extent reasonably possible, and to adapt their commitments to the changed circumstances in good faith.

Place of Performance, Place of Jurisdiction and Applicable Law

46. For all rights and obligations arising from and in connection with the Agreement or Individual Agreement, the German city of Wuppertal shall be the place of fulfillment for both parties.

However, claims for defects are to be fulfilled where the delivered goods are located.

47. For all legal disputes arising from and in connection with an Agreement or Individual Agreement, also within the scope of a draft note and check process, our registered office is the place of jurisdiction. We are also entitled to bring suit at the seat of the Partner.
48. The law of the Federal Republic of Germany exclusively applies to the contractual relationship.

Von Beckfort & Co. OHG
(last updated: 07/2020)