

General terms and conditions of purchase

1. Scope

- 1.1. These general terms and conditions of purchase apply to all business dealings involved in supplying S+ with goods or services.
- 1.2. These general terms and conditions of purchase will take precedence over the supplier's general terms and conditions of business, which do not apply unless S+ accepts them expressly in writing.
- 1.3. The supplier acknowledges that these general terms and conditions of business apply by when they start providing their services at the latest.

2. Concluding contracts

- 2.1. The supplier must confirm orders in writing without delay and within three working days at latest. S+ may revoke orders until such time as they are confirmed.
- 2.2. The supplier must inform S+ of any evident errors (such as typographical and arithmetical errors) and omissions in any orders, including the order documents, without delay before accepting them.
- 2.3. Offers and cost estimates are made free of charge.
- 2.4. S+'s order numbers, commission numbers, quantities, product codes, product details and drawing numbers if any must be quoted on all correspondence.

3. Supplies and services

- 3.1. The supplier agrees to provide all services solely in accordance with contractually agreed specifications, and must notify S+ of any non-compliances expressly in writing.
- 3.2. Even if producing outside the European Union, the supplier will be bound to ensure that minimum European standards are maintained in terms of labour and environmental protection and safety at work.

4. Quantities, prices and payment terms

- 4.1. Prices agreed between the parties are fixed net prices including all overheads, packing, freight, transport insurance, taxes, customs duties, customs clearance costs and charges.
- 4.2. Payment will be made unless agreed otherwise once supplies and services are made within 14 days of receipt of invoice at 3% discount or after 30 days in full. Payment will be deemed to be made in time if S+ issues transfer instructions to its bank within that time accordingly.
- 4.3. As well as the details as stated in para. 2.4., invoices must quote the delivery note number concerned and the date it was issued. Invoicing must comply with tax law requirements as they apply at S+'s registered offices at any time, on the contents of invoices (§ 14 UStG) and deducting input tax (§ 15 UStG) in particular. S+ may withhold payment if any invoice is not issued properly

5. Delivery dates and times, part deliveries

- 5.1. Deliveries must be made within eight working days of when orders reach the supplier unless agreed exceptionally otherwise. Once confirmed, delivery times are binding unless the parties agree otherwise in writing. If the supplier cannot meet a delivery date, it must notify S+ as soon as it becomes aware of this, giving reasons and stating a new delivery date in writing.
- 5.2. Circumstances of force majeure, official action, other unforeseeable, unavoidable and serious events and operating problems which arise through no fault of its own will not exonerate the supplier for as long as their effects persist unless it notifies S+ of them in writing, unless the nature of the events prevents the supplier reporting them. If such events occur through no fault on S+'s part, they will entitle S+ to rescind the contract concerned and relieve it from acceptance and payment liabilities for as long as they persist.
- 5.3. Part deliveries are not allowed unless the parties agree in writing otherwise, likewise deliveries before delivery dates specified in orders and designated as such. S+ may refuse to accept deliveries ahead of time and/have them stored professionally at the supplier's risk and expense and/or defer the value date for the invoice to the agreed delivery date.

6. Defective deliveries and warranty

- 6.1. The supplier warrants that any and all services it provides will be in accordance with contractual specifications, the recognised and tried and tested state of the art, relevant legal provisions and the regulations and guidelines of authorities, industrial insurance boards and professional associations and are fit for their contractually intended purpose at the time they are performed. If S+ approves models or samples, that will not constitute any waiver of any actions under warranty or guarantee.
- 6.2. Should the supplier have any concerns as to the nature of performance S+ desires, or should it be aware that conditions generally are about to change, it must notify S+ in writing without delay accordingly.
- 6.3. The limitation period for actions under warranty is 24 months from when commissioned at the end customer's premises or up to 36 months from when risks pass to S+. Limitation will start to run again from when defects are rectified.
- 6.4. Should the supplier fail to meet its obligation to make good within a period of grace S+ allows, S+ may take the action required itself or engage third parties to take it at the supplier's risk and expense. In cases of emergency, S+ may after agreeing with the supplier make matters good by way of rectifying defects itself or by engaging a third party to do so. S+ may rectify minor defects itself in the interests of not disturbing production and may invoice the supplier for its costs necessarily incurred without affecting the supplier's obligations in law, or likewise if there is a threat of unusually high losses. The hourly rate to be indemnified is EUR 42.00 net.

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7. Securing title

Title to goods will pass to S+ unconditionally. Any reservation of title which the supplier declares contrary to this provision will only apply insofar as it applies to S+'s obligation to pay for the products concerned. Any form of extended or prolonged reservation of title are excluded, such that any reservation of title the vendor declares with binding effect applies only until the goods supplied to the supplier are paid for and to those alone.

8. Goods inwards checks and commercial obligations to complain

The rules on commercial obligations to examine and complain are as follows: S+'s obligation to examine is limited to defects which emerge during goods inwards checks inspected externally including delivery documents and during quality checks by random sampling. This is without prejudice to the obligation to complain if defects are found at a later date. Complaints (notices of defects) will be deemed to have been made in good time in any case if sent to the Supplier within 10 working days of defects being discovered.

9. Logistics, dispatch and packing

- 9.1. The Supplier will bear logistics, dispatch and packing costs unless agreed otherwise. Should S+ agree to cover the dispatch costs in exceptional cases, the Supplier will be required to select the mode of transport which offers the most favourable transport costs unless agreed otherwise.
- 9.2. The Supplier must pack goods at its own expense to protect them adequately against being damaged in transit and storage. The extent of packing required to achieve this purpose must not be exceeded. The Supplier must preferably use environmentally friendly materials which can be recycled or reused if possible, and must comply with relevant recycling rules and return obligations under the packing and electronic waste regulations in particular.

10. Product liability, recourse and insurance

- 10.1. The Supplier will be bound to hold S+ harmless against liability for any and all claims made by third parties for personal injury or damage to property which are attributable to faulty products it supplied, and must reimburse any costs incurred in connection with any recall campaign S+ conducts. S+ will inform the Supplier as to the content and scope of the recall campaign to be conducted insofar as is possible and reasonable and allow it opportunity to comment, without prejudice to other actions in law.
- 10.2. The Supplier must reimburse any contract penalties S+ pays to third parties which S+ was bound to pay as a result of late delivery on the part of the Supplier.
- 10.3. The Supplier agrees to take out and maintain product liability insurance against personal injury and damage to property with cover of not less than EUR 5,000,000.00 for the maximum warranty period possible, and must furnish S+ with confirmation by the insurers that such insurance has been taken out and still applies of its own accord.

11. Setoff

The Supplier may not set off receivables from contractual relations with S+ unless those receivables are upheld in law, are undisputed or stem from the same contractual relations as the receivables used in the setoff and are mutually related to them.

12. Licences, commercial rights

The Supplier warrants no third party commercial rights will be infringed through its supplies, and will be liable to indemnify S+ against all third party actions for infringements of commercial rights and indemnify losses incurred. This also includes reimbursing costs reasonably incurred in averting actions.

13. Confidentiality

- 13.1. The Supplier will keep any and all knowledge, information and business documents it acquires via the business dealings strictly in confidence, including after the working relationship ends, except such information as the Supplier demonstrably already had in its possession, were already in the public domain without breaching this confidentiality clause or which are agreed to be disclosed to third parties, and except such information as has to be disclosed to the authorities or courts under compelling statutory regulations or administrative acts with force of law. Any disclosure in proceedings against third parties as plaintiff or defendant must be agreed with S+ beforehand.
- 13.2. The parties agree to ensure these confidentiality obligations are observed by their staff, subcontractors and suppliers.

14. Miscellaneous

- 14.1. S+ may rescind any balance as yet unperformed of orders and contracts if insolvency or composition proceedings are opened in respect of the Supplier's assets.
- 14.2. Jurisdiction in respect of any and all disputes in law arising out of these business dealings is at Nuremberg. S+ may also sue the Supplier in the competent courts for the place where it has its registered offices. The place of performance is Nuremberg, even if a different delivery address is agreed.
- 14.3. All business dealings are governed by German law exclusively, to the exclusion of all international and supranational treaties and conventions and the UN Convention on the International Sale of Goods.