

Standard Terms and Conditions of Purchase

§ 1 – General Provisions, Scope of Application

1. The following Terms and Conditions of Purchase of Gebr. Reinfurt GmbH & CO. KG ("**GRW**") shall apply to any all contracts for the purchase and / or delivery of movable things ("**Goods**") made by and between GRW and the seller ("**Supplier**").
2. Terms and conditions used by Supplier which are different from, in contradiction with, or supplementary to, these Terms and Conditions of Purchase, and which are not expressly accepted by GRW, shall not be binding on GRW, even if GRW does not expressly object to them.
3. The Terms and Conditions of Purchase set forth herein shall also apply if GRW accepts Supplier's delivery unconditionally, being fully aware of any other terms and conditions which are in contradiction with, or different from, these Terms and Conditions.

§ 2 – Purchase Orders / Conclusion of Contract

Supplier may accept the offer to contract made by GRW ("**Purchase Order**") only immediately or, if the Purchase Order grants a specific period of time for acceptance, within the period stipulated by written notice to GRW.

§ 3 – Prices / Payment

1. The price quoted by GRW in the Purchase Order ("**Price**") shall be a fixed price and shall be "free delivery", unless otherwise provided by written agreement made with Supplier. The price includes the costs of packaging and preservation.
2. Supplier's invoices shall state the following particulars: accounts, date of delivery, Supplier's tax ID number, place for unloading the Goods, Supplier number, part number, number of units / quantity / unit price for each consignment.
3. Unless otherwise provided by written agreement made with Supplier, GRW will pay within 14 days deducting a 3 % cash discount, or within 30 calendar days without any discount. The period shall start to run upon receipt of the Goods and Supplier's verifiable invoice, however not prior to the agreed date of delivery.

§ 4 – Terms of Delivery and Late Delivery

1. Delivery shall be made DAP (Incoterms 2010) to the place determined by GRW. If the Parties agree on delivery "ex works", GRW shall be notified of the size and weight of the Goods in advance.
2. Each consignment shall include a delivery note (in duplicate) stating the purchase order number, item number and Supplier number.
3. When preparing the shipping documents Supplier shall keep in mind that GRW will be responsible for customs clearance. If the Goods are delivered from preference countries, Supplier must enclose the required preference certificate with the consignment. Furthermore, Supplier must provide the appropriate

Suppliers' Declaration or Long-term Suppliers' Declaration.

4. GRW shall be notified prior to delivery if an export licence or any other official licence or permit is required for the Goods, or if the Goods have to be registered, in particular for the purpose of importing them.
5. The Goods must be packed properly in accordance with standard practice - and in compliance with GRW's requirements. If GRW returns (carriage paid) any reusable packing materials to Supplier, Supplier shall reimburse the value of the packing materials so returned to GRW.
6. The period of delivery stated in GRW's Purchase Order, or the date of delivery determined by GRW, shall be binding upon the Supplier (fixed dates) unless otherwise provided by written agreement.
7. If Supplier is in default of delivery, GRW shall be entitled to claim payment of a penalty in the amount of 0.5 % of the total order value for each week or part thereof, however not more than 5 % of the total order value. Any such penalty owed will be deducted from GRW's claim for damages, if any.

§ 5 – Documents / Material Provided

1. Drawings and plans or any other documents ("**Documents**"), and materials, parts, tools, special packing materials, etc. ("**Material Provided**"), provided by GRW for Supplier remain GRW's property and will be provided exclusively for the purpose, and length of time, of manufacturing the Goods ordered by GRW. The Documents / Material Provided must not be reproduced without GRW's prior written approval.
2. If the Material Provided is processed, joined and / or mixed with other items ("**Processing**"), GRW shall acquire co-ownership in the ratio of the value of the Material Provided (purchase price plus VAT) to the other items at the time of Processing.

§ 6 – Tools

1. If GRW provides tools for Supplier, Section § 5 shall apply. If GRW pays (part of) the costs incurred by manufacturing special tools required for manufacturing the Goods ("**Tools**"), GRW shall acquire (co-)ownership in the ratio of the costs paid. Supplier shall mark the Tools as (joint) property of GRW, and shall be responsible for any required maintenance and repair at Supplier's expense. GRW shall become owner of any replacement tools in the same ratio. GRW shall have a preemptive right in Supplier's ownership interest.
2. Supplier is obligated to take out insurance against fire, water and theft for the Tools at Supplier's expense.

§ 7 – Spare Parts / Software

1. Supplier is obligated to deliver spare parts for the Goods delivered to GRW on reasonable terms for a period of five years after the contract for delivery of Goods terminates.
2. If the delivery includes non-standard software, Supplier is obligated to provide improvement / modification as

required by GRW for a period of five years after delivery, unless Supplier cannot reasonably be expected to do so and GRW reimburses the costs adequately.

§ 8 – Non-Disclosure

1. Supplier shall use the Documents and information provided exclusively for the purpose of fulfilling its contractual obligations, and shall not disclose them to third parties without GRW's prior written approval.
2. The obligation set forth under Section § 8 Subsection 1 above shall remain in effect after the contract terminates; the obligation terminates if and as far as the information or the know-how included in the Documents becomes publicly known.

§ 9 - Quality Management / Inspection of Goods / Warranty

1. Supplier shall implement and maintain a quality management system in accordance with ISO 9001:2000, VDA 6.1, QS 9000 or any other standard agreed on with GRW ("**QM System**"). Supplier shall use the QM System to constantly check the quality of its goods and services, and comply with GRW's technical specifications as last amended.
2. Referring to all Goods delivered to GRW, Supplier shall document in writing how Supplier makes sure that the Goods are free of defects, and who is responsible for that. Supplier must keep this documentation for a period of 5 years after delivery, and shall present it to GRW upon request. Supplier's suppliers have to comply with the same obligation.
3. GRW shall inspect the quality and quantity of the Goods delivered within a reasonable period after receipt of the Goods.
4. A complaint for any apparent defect meets the deadline if GRW sends it within 10 business days after receipt of the Goods and Supplier receives the complaint soon thereafter. A complaint for any hidden defect meets the deadline if GRW sends it within 10 business days after discovering such a defect and Supplier receives the complaint soon thereafter.
5. GRW may assert the warranty claims / claims based on defects provided by law.

§ 10 Liability / Insurance

1. If GRW has to defend against third-party claims due to a defective product the defect of which Supplier is responsible for, Supplier shall, upon GRW's first request, hold harmless and indemnify GRW from and against any and all third-party claims including the costs incurred by defending those claims, provided the cause originates within Supplier's sphere of control and

organization, and Supplier itself is liable in relation to third parties.

2. Supplier's liability under Subsection 1 above shall include reimbursement of expenses incurred by or in connection with a product recall made by GRW. GRW shall notify Supplier of the extent and details of the required recall – if and as far as reasonably possible – and shall give Supplier the opportunity to make a statement.
3. Supplier is obligated to take out products liability insurance providing a reasonable amount of coverage for the Goods, however not less than EUR 5 million for each occurrence of damage to person and property ("**Products Liability Insurance**"). Supplier shall provide written evidence of such insurance at GRW's request.
4. At GRW's request, Supplier shall, as far as it is permitted under the insurance terms and conditions, assign its claims for compensation under the Products Liability Insurance to GRW upon GRW's first request. If Supplier has taken out any other insurance in relation to the manufacture / delivery of the Goods (e.g. pursuant to Section § 6 Subsection 2), Supplier shall also assign the claims for compensation arising from those insurance policies to GRW upon GRW's first request.
5. In case third parties assert claims against GRW claiming that the Goods infringe their intellectual property rights, Supplier undertakes to indemnify GRW against any such claims including the costs incurred by defending those claims upon GRW's first request.
6. GRW shall not be entitled to acknowledge any third-party claim specified under Subsections 1 and 5, or to make any other agreement with third parties on any such claim, without Supplier's written approval.
7. The claims for indemnification under Subsections 1 and 5 are subject to a limitation period of 3 years starting from the date on which GRW is notified of the third party's claim for the first time.

§ 11 – Setoff / Retention

Supplier may exercise the right of setoff or retention only to the extent to which Supplier's claim is undisputed or has been established by unappealable judgment.

§ 12 – Final Provisions

1. Wuerzburg shall be the place of performance for any delivery or payment; and the courts of Wuerzburg shall have exclusive jurisdiction over any dispute between Supplier and GRW arising from the contracts they make.
2. German law shall apply, to the exclusion of the UN Sales Convention (CISG).
3. If all or part of any provision hereof is invalid, or if there is any gap herein, the remaining provisions shall remain in full force and effect.

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