

# GENERAL PURCHASING CONDITIONS

## 1. Scope of Application

1.1 The following terms and conditions of purchasing apply exclusively to all our orders. Supplier's conditions to the contrary apply only if they are expressly acknowledged by us in writing. Acceptance of ordered goods/services or payment does not constitute acceptance.

## 2. Purchase Order

2.1 Only written orders with legitimate signature are binding. Verbal agreements are legal only after written confirmation by the Purchasing Department. Written orders, delivery call-offs and changes in timing/quantities by fax or data transmission are binding, if the supplier does not veto the order in writing within three working days of receiving it.

2.2 All orders are to be executed according to the relevant applicable statutory provisions and the relevant applicable DIN, VDE [Association of German Electrical Engineers], UVV [Accident Prevention Regulations] and other regulations and standards of the responsible organizations or associations, even if such items are not specifically mentioned in the written order.

## 3. Delivery Dates

3.1 The delivery dates agreed with us must be met. They refer to the date when the deliveries and/or services ordered by us must be received or provided at the location stipulated by us.

3.2 If a period for delivery is agreed upon then it begins at the date of our written order.

3.3 Should any delays emerge or be expected for a delivery and/or its preparation, supplier shall inform us immediately. Failure to respect this obligation to provide information may lead to claim for compensation. The delivery period shall be appropriately extended, if the supplier was prevented from complying with his delivery obligation without any fault on his part. If the supplier is in default and if the contract is part of a commercial enterprise, we are at our own discretion and without granting a grace period entitled to demand compensation or to withdraw from the contract altogether, without limitation to any agreed contractual penalty.

3.4 The right to claim the contractual penalty shall not affect our right to performance.

3.5 In case of repeatedly missed deadlines we are entitled to withdraw from the contract even if the supplier is not responsible for the delay.

## 4. Scope of Delivery

4.1 The deliveries and/or services ordered by us must be delivered. Over or under deliveries are subject to our consent.

4.2 The relevant number of items, weights and measures are based upon our incoming goods inspection.

4.3 Invoices and delivery notes must contain the following items: Order Number, EuWe-Article Number, Name of the Article, Weight (gross/net), and Quantity per VPE [packaging unit].

## 5. Prices

5.1 The prices stated by us are fixed prices.

5.2 In the absence of any other agreement the prices are free our works, including packaging.

## 6. Risk and Transfer of Title

6.1 All deliveries are generally effected free our works or the stated unloading point, unless otherwise agreed in writing, including packaging at the cost and risk of the supplier. If exceptionally the delivery was agreed ex works, the most cost-effective mode of transportation is to be selected.

6.2 Insurance to cover transport risk at our expense may only be carried out with our prior written consent.

6.3 Tools, fixtures, gauges, etc. that are provided to a supplier must be marked permanently and sufficiently visible with the notation – **Property of EuWe**, insured against fire, theft and other damages, treated carefully and always be operational. They should only be used for the execution of our orders and returned to us at any time, if so requested.

6.4 In the event of imminent bankruptcy proceedings or petition for a court or out of court insolvency proceedings of the supplier, we must be informed immediately.

## 7. Warranty and Notice of Defects

7.1 Approval depends on the verification of the accuracy and suitability of the goods.

7.2 For the duration of the warranty period the supplier is liable for defects in goods or services, irrespective of whether the defects are discovered immediately or at a later date in such a way that we are entitled, without affecting other legal rights, to choose at our discretion, either a replacement delivery free of charge, remedy of the defect free of charge or an appropriate reduction of the price.

7.3 Subject to special agreements, the warranty obligation amounts to 36 months after performance, for construction work five years.

7.4 If the supplier repeatedly delivers defective goods or services, we are entitled to withdraw from the contract, and in the case of successive supply agreements, to terminate the contract without notice. If an overall inspection is required as a result of defective delivery which exceeds the normal level of incoming goods control, the supplier shall bear the costs incurred.

7.5 In urgent cases we are entitled to effect the necessary repairs in-house, or to commission a third party to effect them at the supplier's cost.

7.6 The "Quality Assurance Guidelines for Suppliers" disclosed separately are an integral part of our General Purchasing Conditions. The guidelines can be requested from the Purchasing Department via email or downloaded from the Internet under [www.euwe.de](http://www.euwe.de). Failure to request this information does not exempt the supplier from complying with the requirements listed therein.

## 8. Product Liability and Recall

8.1 If supplier is responsible for damage to a product, he is obliged to exempt us from claims to compensation for damages from third parties on demand to the extent the reason for the product defect stems from his range of control and organization. In such cases the supplier shall assume all costs and expenses, including the costs in connection with a recall action.

## 9. Goods that Require Approval

9.1 If the goods in question require approval the supplier is obliged to list the appropriate DIN-Number in all of his documents, in particular the bill of lading, and to confirm that the delivered materials are subject to quality control. The third-party inspector/institution is to be listed by name. Deliveries that do not comply with this provision can be rejected.

## 10. Industrial Property Rights, Secrecy

10.1 The supplier shall release us and our buyers from all claims that may arise from the violation of domestic or foreign commercial property rights resulting from the manufacture or delivery of ordered products. The supplier shall also be liable for any direct or indirect loss or damage resulting to us and our customers in case of a violation of the said rights by the supplier. Any legal disputes arising with third parties from the said rights shall be at the risk and expense of the supplier.

10.2 The supplier is obliged to keep all details of our order confidential, such as e.g. quantities, technical application, conditions, etc. towards third parties.

10.3 Documentations of all types made available to the supplier, such as samples, drawings, models and such shall remain our property and shall be returned to us free of charge and without being prompted, as soon as they are no longer needed to execute the order. They may not be made accessible to third parties.

Products that are manufactured according to our documents, such as drawings, models and the like or based on our confidential information or manufactured with our tools or with tools modeled on our tools may neither be used by the supplier nor offered or supplied to third parties.

## 11. Provision

11.1 Materials or parts provided by us shall remain our property and shall be separated from other materials and marked as our property. These may only be used as intended. The processing of materials and joining of parts shall be done on our behalf. By agreement, we are co-owners of the items produced using our materials and parts to a proportion equivalent to the value of our contributions and to the value of the entire products to the extent preserved by the supplier on our behalf.

## 12. Withdrawal Rights of the Purchaser

12.1 Circumstances which are responsible for a stoppage or restriction of our business or operating activity and are beyond our control, in particular outbreak of war, official measures, unforeseeable shortage of labor, unforeseeable failure of transport means, power failure, strikes and lockouts, entitle us to postpone performance of inspection obligations beyond the agreed-upon date or to withdraw completely or in part from the contract. Claims by the supplier for compensation of damages cannot be derived therefrom.

## 13. Packaging

13.1 Unless otherwise agreed upon, the charged packaging will be returned, freight prepaid, and 2/3 of the invoiced amount will be deducted from the supplier's invoice. Packaging material made available by us shall be used for deliveries to us.

## 14. Non-Assignment Clause

14.1 Assignment of claims against us by a third party is excluded, unless we have expressly consented to the assignment in writing.

## 15. Payment Terms

15.1 Unless otherwise agreed in writing, invoices must be paid within 14 days after receipt and delivery with a 3% discount or within 30 days net.

## 16. Final Provisions

16.1 The entire contractual relationship and other business dealings between the parties are governed by German law. Unless mandatory statutory provisions provide otherwise, the exclusive place of jurisdiction is Nuremberg.

16.2 If any part of these Purchasing Conditions should be or become legally ineffective, the validity of all other provisions shall not be affected.