

# **Cairon Group GmbH Purchasing Terms**

## **§ 1 Area of Validity**

(1) All deliveries, services and offers shall be made solely on the basis of the General Terms of Delivery. These are part of all the contracts that we conclude with our Suppliers in relation to the deliveries or services they provide. They also apply to all future deliveries, services or offers to the Client, even if they are not agreed again separately.

(2) The terms of business of our Suppliers or Third Parties shall not apply, even if we do not dissent from their validity on an individual basis. Even if we refer to a document that contains or refers to the terms of business of the supplier or of a third party, this shall not be construed as agreement with the validity of those business terms.

## **§ 2 Orders and Tasks**

We shall be entitled to terminate the contract at any time by written declaration indicating the grounds if we are no longer able to use the products ordered in our business due to circumstances that have arisen since the contract was concluded. In this case we shall reimburse the Supplier for those services he has rendered.

## **§ 3 Retention of Title**

Any retention of title on the part of the Supplier shall only apply insofar as it bears on our payment obligations for the product for which the supplier reserves ownership. In particular, extended reservation of ownership shall not be permitted.

## **§ 4 Warranty Claims**

(1) In the event of defects we shall have full legal entitlement to pursue claims.

(2) Acceptance is only deemed to be complete when we have had the opportunity to inspect and examine the object of the agreement. Examinations and inspections take place as part of our normal routine business and according to our specifications. In the case of machine parts, replacement parts and accessories, it is generally only

possible to run tests when the machine parts, replacement parts or accessories are used at full capacity.

We shall immediately notify the Supplier of defects in deliveries or services as soon as these can be directly determined by us as part of normal routine business; to this extent the Supplier shall not resort to the objection that notice of defect was delayed. We do not accept any other deadlines for inspection, examination and notification of defects.

The fact that we have paid for the delivery or service cannot be construed as a waiver of the right to lodge a complaint.

(3) By accepting or approving the prototypes or samples provided we do not wave our warranty rights.

(4) The Supplier's receipt of our notice shall place a stop on the expiration of warranty claims. When replacements are supplied and repairs are carried out, the warranty period for replaced and repaired parts shall begin over again, unless the Supplier's behavior leads us to assume that the latter did not regard himself as bound to this action, but simply replaced the product or repaired the fault on the grounds of fair play or similar reasons.

## **§ 5 Product Liability**

(1) The Supplier shall be responsible for all claims pursued by Third Parties for personal injury or material damages that can be traced back to a defective product supplied by him. He is obliged to release us from the liability arising from this. If we are obliged to carry out a recall campaign with Third Parties because of a fault in a product delivered by the Supplier, the Supplier shall bear all the costs associated with the recall campaign.

(2) The Supplier is obliged to maintain product liability insurance with an appropriate level of cover which, unless otherwise agreed on a case-by-case basis, does not need to cover the risk of product recall or criminal or similar damages. On request, the Supplier shall send us a copy of the liability policy.

## **§ 6 Trade Mark Rights**

(1) The Supplier offers an assurance that no third party trade mark rights are violated in connection with his delivery in countries of the European Union, North America or other countries in which it manufactures the products or has them manufactured.

(2) The supplier is obliged to indemnify us against all claims made against us by third parties on the basis of the violation of trade mark rights as specified in item 1 and shall reimburse all the expenses incurred by us in connection with these claims. This entitlement shall remain in place irrespective of whether or not the Supplier is culpable.

## **§ 7 Confidentiality**

(1) The supplier is obliged to maintain confidentiality in relation to the conditions of the order and all information and documents made available for this purpose (with the exception of publicly available information) for a period of 10 years after the contract has been concluded and shall only use this for the purposes of expediting the order. He shall immediately return this information to us on request after handling inquiries or completing orders.

(2) The Supplier shall not refer to the business relationship in advertising materials, brochures, etc, and shall not exhibit articles produced for us without our prior written permission.

(3) The Supplier shall commit his subcontractors to these provisions.

## **§ 8 Insolvency Proceedings, Bankruptcy, Liquidation**

If insolvency proceedings are initiated against the Supplier's assets or if insolvency proceedings have already been opened, we shall be entitled to terminate the task. The same applies if the Supplier discontinues payment, experiences difficulties with payments or seeks an out-of-court settlement or if steps are initiated for voluntary or compulsory liquidation. We shall also have these rights if the Supplier has already delivered part of the outstanding delivery but is in arrears with the still outstanding part of the delivery.

### **§ 9 Place of Fulfillment, Court of Jurisdiction, Applicable Law**

(1) The place of fulfillment for both sides is Paderborn. The sole court of jurisdiction is Paderborn.

(2) Relations between us and the Supplier are subject solely to the laws of the Federal Republic of Germany. The United Nations Convention on Contracts for the International Sale of Goods, dated 11 April 1980 (CISG) shall not apply.

### **§ 10 Supplementary Agreements, Miscellaneous**

(1) Oral declarations by our employees have no validity unless confirmed by us in writing.

(2) If one or more provisions of the contract or these conditions is or becomes invalid, this shall not affect the validity of the remaining conditions. In the event that a contractual condition or a clause of these purchasing conditions becomes invalid, it shall be replaced by an effective provision that reflects as closely as possible the economic intent of the original provision or condition.