

Purchasing Conditions

for commercial transactions with business customers

1. General

All our orders are based exclusively on these conditions and any separate agreements; we shall not accept any conditions that contradict or differ from these conditions unless we have expressly agreed to their validity in writing. These conditions shall apply even if we accept the ordered goods / service without reservation in the knowledge of terms and conditions that contradict or differ from our Purchasing Conditions. These Purchasing Conditions shall also apply to all future transactions with the Supplier.

2. Purchase order:

Your quotations shall be created for us free of charge. Any deviations from our enquiry shall be expressly indicated in the quotation. The quotation shall be binding on the Supplier until the specified binding period has elapsed. Individual prices and the total price of the product, the delivery time, payment and delivery conditions shall always be specified separately in the provided quotation, along with any possible packaging and shipping costs.

The binding confirmation of order shall be sent by e-mail to the person who generated the order within three working days.

An order shall not be deemed to have been placed until it has been made in writing by us. The purchase order, including our Purchasing Conditions, shall be deemed to have been accepted without change if no written declaration to the contrary is received by the Client from the Supplier within 10 days. Changes must be expressly approved in writing by the Client.

For outline agreements, the quantities and materials to be supplied by us are specified by separate call orders. In this case, partial deliveries are not permitted. All existing and open outline agreements are to be reconciled with the client in writing within a six-week time window. The supplier is to do this independently and unprompted.

The negotiated terms and conditions and any current or still unfulfilled volume-based contracts shall continue to exist until the contract has been performed in full, even if prices are subsequently adjusted.

3. Price and payment:

The prices are fixed prices and, unless otherwise agreed, apply "Carriage free" DDP/DAP Heidenheim (transfer of risk) as per the 2010 INCOTERMS, including transport and packaging plus the statutory applicable sales tax. All shipments shall be insured by the Client. Insurance by the Supplier is therefore not required on cost grounds and must therefore not be invoiced to the Client. We reserve the right to return larger packaging to the sender carriage paid; it shall be refunded in full.

Unless otherwise agreed, we shall pay with a 2% discount within 14 days of receipt of the invoice or goods or the net amount after 30 days. The payment and discount periods shall not start until the contract has been fulfilled in full. This includes the sending of goods in perfect condition, in the confirmed quantity and in the proper packaging. It also includes the provision of the requested documents such as supplier declarations, works, acceptance and test certificates, dimensional data sheets and remarking certificates; these are generally to be provided to the Client in electronic format.

Single copies of original invoices are to be sent by e-mail to the following address: rechnungseingang@lohse-gmbh.de. Documents may only be sent by fax or post with the Client's agreement.

Our order number, together with our item numbers, item designations, quantities, individual and total prices, discounts, etc. are to be specified on all invoice documents. It is also to be ensured that the correct company name is used. We reserve the right to return documents to you if the

wrong name is used. If this is the case, the time allowed for payment shall start again.

We are to be notified in writing of price adjustments at least three months in advance. If a written objection is received from us, the existing terms and conditions shall continue to apply until the matter has been fully clarified.

The Supplier is to provide us with existing current price and discount lists in electronic format immediately and unprompted.

4. Delivery time:

The agreed delivery time is binding. Circumstances that make it impossible to meet the agreed delivery time are to be notified immediately in writing to the Client. In the event of a delay, the Client may demand compensation in the form of a fixed sum of 0.5% for every complete week of delay up to a maximum of 5% of the total value of the order. The Client shall have no further claims arising from such delay. Acceptance of the delayed goods or service shall not constitute a waiver of the right to compensation. Compensation shall be payable even if no express reservation was stated at the time of acceptance. Specified and confirmed delivery dates shall be deemed to have been received.

5. Provision of spare parts

The Supplier shall ensure the provision for at least ten years of spare parts for all main electronic and mechanical components sold. The ten years shall commence on the date of delivery.

6. Assignment of claims and retention of title:

Claims arising from goods and services provided may not be assigned to third parties without our prior written agreement.

Ownership shall be transferred to us no later than the date of payment for the goods or services provided. No further retention of title shall be accepted.

Any finished or semi-finished products that are made available to the Supplier are and shall remain the property of the Client at every stage of processing. These shall be returned to the Client immediately and unprompted no later than the date of fulfilment of the contract. When the goods are received and dispatched, the Supplier is required to check the shipment fully for any defects and to notify the Client in writing of any defects as quickly as possible.

7. Dispatch:

Dispatch is to be notified no later than the departure of the goods. Shipping papers such as delivery notes, packing lists, consignment notes, etc., are to be enclosed with the shipments in a clearly visible manner. The Client's complete shipping address and order numbers are to be specified on all documents, along with any identifications required in the order. All shipments are to be delivered DDP/DAP Heidenheim in accordance with INCOTERMS 2010. Special shipments for which the Client is to bear all, or part of the shipping costs, are to be carried at the most favourable freight tariffs or in accordance with the Client's shipping instructions. The shipping instructions, particularly the location to which the goods are to be delivered (which is also the place of performance) are specified in the order.

In general, the Supplier also bears responsibility with respect to the condition of all shipping containers, including proper packaging that meets the requirements (or usage) of the desired means of transport. Individually made contractual agreements have priority. The Supplier is liable for all resulting losses and costs arising from failure to fully observe or follow the Client's specifications. Our general packaging specifications apply.

At the Client's request, free photographic documentation (of both the inside and outside of the shipment) is to be

recorded and sent by e-mail to the Client no later than the date of dispatch of the goods. This should confirm that the goods are in perfect condition.

In the event of a delivery shortfall without follow-up delivery or delivery of the balance, the Supplier is to note "No back orders" on the delivery note. The same applies to follow-up delivery or delivery of the balance.

Drop shipments to end customers are only possible with our agreement. In this case, the Supplier is to send unprompted with the shipment a copy of the delivery note (with signature and company stamp), the consignment note and packing list by e-mail to the person who generated the order.

8. Goods receiving times:

Our goods receiving times are as follows:

Mon - Fri: 7:30 – 9:00
Mon – Thu: 9:15 – 11:45 and 12:15 – 15:30
Fri: 9:15 – 13:30

This does not include possible public holidays and set company close-downs.

Deliveries may only be accepted outside these times after consultation with and with the agreement of the Client. The Client shall not accept any additional costs associated with failure to observe these times.

9. Notification of defects:

The Client shall make every effort to check incoming deliveries immediately. The Supplier shall allow a reasonable period before objecting to delayed notification for obvious defects, incorrect deliveries and quantities and the failure to provide promised characteristics. Any defects found, especially those that become apparent during machining, shall in urgent cases or for the purposes of reducing losses, be repaired at the Supplier's expense after consultation with the Supplier. The Supplier shall assume all costs incurred by the Client in this respect. This shall not affect statutory guarantees or contractual warranties. Payments made by the Client shall not be regarded as a waiver of the Client's right to give notification of defects.

10. Warranty:

The warranty period is 24 months from the first beneficial use, but no later than 30 months from delivery. If defects are found in a delivery, the Client may demand rectification or replacement free of charge or may assert his statutory warranty rights. The latter shall also apply in the event of failure to rectify or replace or if rectification or replacement is unsuccessful. The warranty for rectified parts is 12 months from the date of rectification. If the Client notifies the Supplier of the intended purpose and provides the necessary data for the product to be supplied, the Supplier warrants that the product is suitable for the intended purpose. The supplier undertakes to guarantee consistently high quality and corresponding documentation by means of a well-organised quality system. The Client is entitled to satisfy himself with respect to the method used to carry out the inspections and checks on site, if necessary in the form of a supplier audit.

11. Product liability

The Supplier confirms that he has appropriate and adequate product liability insurance and undertakes to provide appropriate evidence of such insurance upon request. The obligations that the Supplier assumes for the items that he supplies are the same as those that the Client assumes with respect to his own customers for the products manufactured by the Client, i.e. at the very least the statutory obligations for the generally applicable customer claims. The Supplier shall indemnify the Client against warranty and product liability claims, even with respect to third parties, if such claims were caused by components manufactured or supplied by the Supplier.

12. Intellectual property rights:

The Supplier is liable for ensuring that patents or intellectual property rights of third parties are not infringed through the delivery, use and transportation of the objects or by services provided by the Supplier.

13. Accident prevention:

If the Supplier must provide his services on the property of the Client or a third party, then the Supplier shall ensure that all statutory requirements concerning accident prevention at the workplace and the corresponding requirements of the employers' liability insurance associations are fulfilled by his legal representatives or agents. The Supplier shall be liable for losses incurred by the Client, his employees or third parties if the safety requirements are inadequately explained or are ignored. Agents in this respect includes employees who are made available to the Supplier by the Client. When they are made available, such employees are subject to the Supplier's instructions.

14. Models and tools:

Models and tools that are produced by the Supplier at the Client's expense shall become the property of the Client upon payment. They are to be handled and stored carefully by the Supplier and insured at the Supplier's expense against disasters such as fire, water, theft, loss and other damage. Parts manufactured using these models and tools may not be sold without the Client's express written approval. Drawings plans and sketches that the Client gives to the Supplier for the purposes of producing the subject of the order remain the property of the Client. The Supplier undertakes to handle them carefully, not to make them available to third parties, only to make copies for the purposes of completing the order and, once the delivery is complete, to return all documents including any copies to the person who generated the order.

15. Technical documents required to fulfil the contract:

The Supplier shall compare the drawing numbers provided to him by the Client and their current index with the specifications on the order and enquiry documents. The wording of text on enquiry and order documents takes priority over the details on drawings, sketches or specifications. This primarily concerns specified materials and dimensions. The Supplier is required to inform the Client in writing of any differences.

16. In-process inspection:

We reserve the right to inspect the goods during production for quality, dimensional accuracy, logistics workflows and other assured characteristics.

17. German Data Protection Act:

The Client declares that personal data concerning the Supplier and his contacts is only collected, processed and stored for the purposes of fulfilling the laws applicable to the transaction (particularly §28 ff of the German Data Protection Act). This data will not be used for other purposes or passed on to third parties unless this is necessary for fulfilment of the contract.

18. General provisions:

The contract is subject to German law, even for orders placed outside Germany. Application of Uniform Convention on the Sale of Goods is excluded. The place of jurisdiction for both parties is Heidenheim, regardless of the location to which the goods are delivered by the Supplier. The Client may also take legal action at the Supplier's registered office. If individual provisions are invalid, this shall not affect the validity of the overall contract. If differently worded conditions are specified in the confirmation of order, they shall not be binding upon us without our express written agreement.