

Standard Terms and Conditions of Purchase

Except as otherwise agreed in writing the following terms and conditions shall apply exclusively. Contractor's standard terms or specific terms and conditions of delivery shall apply to the extent only that such terms and conditions do not explicitly or implicitly contradict the present Terms.

I. Purchase orders and other statements

- Purchase orders shall be deemed binding only if placed or confirmed by us in writing.
 All our statements must be in writing to be effective. These Standard Terms and Conditions of Purchase shall extend to any future transactions with Contractor.
- All correspondence shall be addressed to our competent purchase manager.

II. Prices

Unless otherwise agreed, prices include packaging and are free point of reception or free siding if delivered by wagon load. If a price "free to factory" or "ex warehouse" is agreed, we will take over only the lowest freight costs.

III. Invoicing and payment

- Invoices shall be submitted in triplicate immediately upon delivery, stating the amount of turnover tax.
- All payments shall be made in means of payment at our option not later than by the end of the month following the month of delivery of the goods. Delivery prior to the agreed date shall not affect the period of payment tied to that deadline. We shall be entitled to deduct a discount of 3% for payment made within 14 days of receipt of the goods. If we receive the invoice later than the goods, then the application of the discount shall be based on the date on which the invoice was received. Invoices not submitted by the 4th working day of the month following the month of delivery will be paid without interest 4 weeks after receipt. There shall be no interest on defaulted payment.

IV. Assignment

Contractor shall not be entitled to assign all or part of Contractor's claims from the contract to third parties without our explicit written consent. Such consent shall not be withheld without substantial reason.

V. Delivery times and dates

- Agreed delivery times or dates shall be binding. Contractor shall notify us immediately in writing upon realising that Contractor cannot meet the delivery times or dates agreed.
- No claims shall be asserted for noncompliance with delivery times and dates if and insofar as Contractor can show that such non-compliance with the agreed delivery times and dates is due to reasons beyond Contractor's control. Events beyond Contractor's control shall include, without being limited to, lockout and strike, irrespective of whether such events have occurred at Contractor's establishment or at the establishment of Contractor's suppliers; provided, however, Contractor has already been in default prior to the occurrence of such events.

VI. Claims arising from defects

- Contractor warrants that its supplies have the agreed properties, comply with best technical practice and the relevant provisions including without limitation any provisions issued by authorities and trade associations, and are free of defects which may cancel or reduce the value of the goods or their merchantability or fitness for the agreed purpose. Our legal claims for not defects shall limited. be Notwithstanding the above we shall be entitled to demand, at our option, either a replacement or rectification of defects, provided that Contractor is able to perform such rectification independently. In such a case Contractor shall bear all costs and expenses incurred in the removal of the defects or the replacement of the defective goods. We explicitly reserve our legal right be indemnified, including indemnification for loss or damage of objects other than the delivery item, including without limitation damages for failure to deliver a replacement or to rectify the defects.
- 2. Unless a longer warranty period is mandatory under the law, the period of limitation for all claims arising from defects shall be 24 months from passage of risk. In the event of subsequent performance a new 24 months period of limitation for claims arising from defects shall begin upon completion of the rectification work. The new period of limitation shall, however, only apply to the rectified or replaced component of a delivery item if only such a component has been rectified or replaced.
- 3. Our obligation to examine delivery items for defects and to notify Contractor of such defects shall be governed by the relevant legal provisions. To the extent that we have the duty to notify defects within due time, such notification shall be deemed to be on time if received by Contractor within five working days after a defect in the supplies was detected or became visible upon due examination. The particular quality of the supplies may result in a considerably longer time limit being appropriate for such complaints.
- 4. Contractor shall bear the costs of the removal of a defect or replacement, including all ancillary costs (e.g. freight costs). If Contractor fails to comply with all or part of its above obligations or if we consider the matter urgent, we shall be entitled, without prejudice to our claims based on defects, to take the necessary measures at Contractor's costs; more specifically we shall be entitled to replace or have a third party replace defective parts, or to procure a replacement from a third party.

VII. Acts of God and force majeure

If compliance with our contractual obligations becomes more difficult or impossible for us due to force majeure or other such circumstances, including without limitation strike and lockout, we shall be entitled to cancel the agreement wholly or in parts or to demand performance at a later point in time.

VIII. Liability for subcontractors

Contractor shall have the same responsibility for subcontracted supplies as for its own supplies.

IX. LFGB, RoHS, REACH and PAH regulations

Contractor undertakes to comply with the statutory provisions of the corresponding directives and regulations and shall provide Blefa with unsolicited documentation in the form of a legally recognized certificate. Contractor shall bear the costs of the tests and certificates.

X. Place of performance, jurisdiction

- Place of performance for all supplies shall be the point of destination specified by us.
- Venue shall be Siegen. We shall also be entitled to take legal action against Contractor at Contractor's place of jurisdiction.

XI. Other contracts

These Standard Terms and Conditions of Purchase shall apply mutatis mutandis to other contracts, including contracts for work and contracts for the supply of goods and services.

XII. Applicable law

All legal relations between ourselves and Contractor shall be governed exclusively by the law applicable to the legal relations between domestic parties at the place of our registered office.

XIII. Severability

In the event that any of the provisions of the contract made with Contractor, including these Standard Terms and Conditions of Purchase, is or becomes invalid, then this shall not affect the validity of the other provisions. The wholly or partly invalid provision shall be replaced by a provision which comes as close as possible to the original economic intention of the invalid provision.

Blefa GmbH

Stand 12.07.2017