



Purchasing Conditions

1. General - scope of application

- 1.1 Our Purchasing Conditions shall apply exclusively; they shall be binding within the scope of current business relations for all, including future transactions with the supplier, provided that this involves legal transactions of a similar nature, even if the Purchasing Conditions are not mentioned in future business transactions.

In the case of existing business relations, our Purchasing Conditions shall replace earlier Purchasing Conditions.

- 1.2 We shall not accept terms and conditions of the supplier, which are contrary to or deviate from our Purchasing Conditions, unless we have expressly approved their validity in writing. This provision shall also apply to order confirmations or other confirmation letters.

Our Purchasing Conditions shall apply even if we accept the supplier's delivery without reservation in the knowledge of terms and conditions of the supplier, which are contrary to or deviate from our Purchasing Conditions.

- 1.3 All agreements, which are concluded between us and the supplier to execute this contract, shall be set out in writing in this contract.
- 1.4 Our Purchasing Conditions shall only apply to entrepreneurs within the meaning of § 310 (1) of the German Civil Code (BGB).

2. Orders

- 2.1 Our orders shall be placed exclusively in writing.
- 2.2 Our order shall be confirmed by the supplier in writing within eight days from the date of the order. Before we receive confirmation, we shall not be bound by our order and may withdraw it informally at any time. When we receive confirmation, our order and all its stipulated details shall be deemed to have been agreed with binding effect.
- 2.3 If we do not receive confirmation of our order on time or confirmation differs from our order, this shall be regarded as a new offer from the supplier. This new offer shall only be deemed to have been accepted by us if we have confirmed it in writing within eight days after we have received it.

- 2.4 Documents stipulated by us, e.g. diagrams, plans and drawings including tolerances, shall be binding as an integral part of our order. We shall not be liable for any obvious mistakes, typing errors or miscalculations in the documents, drawings and plans which we submitted. The supplier shall be obliged to inform us about these errors so that our order can be corrected and revised. This provision shall also apply to missing documents or drawings.
- 2.5 Deviations from our order in respect of quantity and quality, as well as subsequent amendments shall not be permitted. They shall be deemed to have been agreed if we expressly confirm them in writing.
- 2.6 If we provide parts to the supplier, e.g. diagrams, drawings, tools, samples, models, trademarks and layouts or similar, we shall retain title and copyright to these items.

This provision shall also apply to finished products and semi-finished goods which are handed over by us or are manufactured in our order. Processing or conversion by the supplier shall be performed for us.

Parts made available to the supplier, as well the manufactured finished and semi-finished products may only be passed on to third parties with our express written approval.

These parts shall be used solely for production based on our order and shall be returned to us immediately on completion of the order without any special request to do so.

- 2.7 Remuneration for the preparation of projects and the production of tools and samples shall only be granted if it was agreed beforehand in writing.

3. Prices

- 3.1 The prices shown in the order shall be binding and shall be regarded as "franco doimicile" including packaging.

If the order does not show any prices, the list prices valid on the order date shall apply. General price reductions made by the supplier after the order date shall also be granted to us. Statutory VAT shall be included in the price.

- 3.2 The supplier shall not offer us any more unfavourable prices and terms than other customers under the same or similar conditions in a specific case.

4. Invoices/payment

- 4.1 Invoices shall be issued separately for every order quoting the order number. Payment shall only be made after all the goods have been received in perfect conditions or the services have been fully rendered, and after receipt of the invoice. This provision shall apply analogously to partial deliveries. Partial deliveries shall only be permitted by prior agreement with us.

Delays due to incorrect or incomplete invoices shall be borne by the supplier. In particular, delays shall not adversely affect any discount periods.

When a discount is granted, payment shall be made:

- less 3% discount up to 14 days

- net up to 30 days,

calculated each time from the date of delivery and receipt of the invoice.

4.2 Claims made by the supplier against us may only be assigned to third parties with our approval. Unless otherwise agreed in advance, payments shall always be made to the supplier. Offsetting and retention rights shall accrue to us to the extent permitted by law.

5. Delivery dates

5.1 The delivery times shown in the order shall be binding. They shall start from the date of the order. The goods shall arrive at the receiving point stipulated by us within the delivery period or on the delivery date. If delays are anticipated, the supplier shall notify us immediately and obtain our decision regarding the retention of the order.

5.2 In the event of delay in delivery we shall be entitled to statutory claims. In particular, we shall be entitled to demand compensation instead of performance after the fruitless expiration of a reasonable period and withdraw from the contract. If we demand compensation, the supplier shall be entitled to prove to us that he was not responsible for infringing the obligation.

5.3 If the supplier is in default, we shall be entitled after issuing a warning to demand a contractual penalty amounting to 0.5% of the net order value for each commenced week, but at most 5% of the net order value and/or delivery, and/or to withdraw from the contract. We shall reserve the right to enforce any further claims and rights. We shall be obliged to notify the supplier about the reservation of the contractual penalty at the latest within ten working days, calculated from the date of receipt of the late delivery. The paid contractual penalty shall be offset against a claim for compensation.

Partial deliveries shall not prevent the start of default. However, we may retain partial deliveries and also enforce the above-mentioned rights.

5.4 We shall not be obliged to accept the goods or services before the end of the delivery period

6. Delivery/packaging

6.1 Delivery shall be effected at the expense of the supplier without charge to the receiving point we have stipulated. If, by way of exception, we have to pay freight on account of a separate agreement, the supplier shall select the transport mode which

we have prescribed, otherwise the cheapest transport and delivery mode for our company.

- 6.2 Risk shall only pass to us when the goods or services have been accepted by our receiving point.
- 6.3 Packaging shall be included in the price. Unless otherwise agreed in writing by way of exception, packaging shall be charged at cost price. The supplier shall choose the packaging we have stipulated and shall ensure that it protects the goods against damage.
- 6.4 The supplier shall not be entitled to make deviations from the order. If a quantity deviation cannot be avoided in certain cases, our approval shall be obtained prior to delivery. Partial deliveries shall only be permitted by prior agreement. In the case of short deliveries, we shall be entitled to request delivery of the shortfalls, reduce the price, withdraw from the contract or enforce a claim for compensation due to non-performance. This provision shall not apply to tolerances that are customary in the industry.

7. Liability for defects

- 7.1 The supplier shall be obliged to ensure that the goods, including the packaging and drawing, correspond to our specifications. Our order shall be executed properly and professionally according to the latest state of the art. Legal and official regulations shall be observed. Third-party rights shall not be infringed.
- 7.2 In the event of delivery of goods which do not comply with the provisions of 7.1 and are therefore defective, the supplier shall be given the opportunity to rework the goods or send a replacement delivery. If the supplier is unable to do so or does not immediately comply with the request and the granted period of grace, we shall be entitled to return the goods at the supplier's risk and cover our requirements elsewhere. In urgent cases we shall be entitled, after informing the supplier, to carry out rework ourselves or arrange for it to be carried out by a third party. The resulting costs shall be paid by the supplier.
- 7.3 The limitation period for the product manufactured by the supplier or for the order executed by the supplier shall end 36 months after delivery and acceptance, unless the compelling provisions of §§ 478 and 479 of the German Code apply.
- 7.4 Unless otherwise stipulated above, liability for defects shall be based on legal regulations.
- 7.5 We shall be obliged to check the goods within a reasonable period of time for any deviations in quality and quantity; the complaint shall be deemed to have been made promptly if it is received by the supplier within a period of 5 working days calculated from the date of receipt of the goods or from the date of discovery in the case of

hidden defects. In the case of partial deliveries, the periods shall only run each time in relation to the supplied partial quantities. These periods shall apply even if provision is made for shorter periods in trade practice.

8. Product liability

8.1 If the supplier is responsible for a product defect, he shall be obliged, at first request, to release us from compensation claims by third parties in so far as the cause lies in his field of control and organisation and he is personally liable to third parties.

8.2 As part of his liability for damage cases within the meaning of (1), the supplier shall also be obliged to reimburse us for any expenses in accordance with §§ 683 and 670 of the German Civil Code or in accordance with §§ 830, 840 and 426 of the German Civil Code that are incurred from or in connection with a recall action by our company. If possible and reasonable, we shall inform the supplier in good time in advance about the contents and extent of the recall measures to be implemented and shall give him the opportunity to make a statement. Other legal claims shall not be affected.

8.3 The supplier shall be obliged to take out product liability insurance with a cover sum of €10 million per personal injury/property damage – flat-rate - during the term of this contract, i.e. up to the respective expiry of the defect limitation period; if we are entitled to any further compensation claims, they shall not be affected. If we are entitled to any further compensation claims, they shall not be affected.

9. Industrial property rights

9.1 The supplier shall guarantee that no patents or other industrial property rights of third parties are infringed in connection with and through his delivery and its use by our company. The supplier shall release us and our customers from all claims arising from the use of these industrial property rights. This provision shall not apply if the supplier has manufactured the supplied goods based on drawings, models or other equivalent descriptions or instructions provided by our company and does not know or cannot know in connection with the goods manufactured by him that industrial property rights are thereby infringed.

9.2 The supplier's indemnity obligation shall relate to all expenses which we necessarily incur from or in connection with the claim by a third party, unless the supplier proves that he is not responsible for infringing the obligation forming the basis for the infringement of the industrial property rights.

9.3 The limitation period shall be three years starting from the date on which risk is passed.

10. Passing of risk, place of performance

10.1 Delivery shall be made at the supplier's risk. Risk of loss and deterioration shall pass when the goods are handed over to us at the receiving point.

10.2 The place of performance shall be the receiving point which we have stipulated.

11. Force majeure

War, civil war, export restrictions or trade restrictions due to a change in political conditions, as well as strikes, lockouts, stoppages, restricted operations and similar events, which make it impossible or unreasonable for us to fulfil the contract, shall be regarded as force majeure and shall release us from the obligation to promptly accept the goods for the length of their occurrence. The contracting parties shall be obliged to inform one another accordingly and adapt their obligations to the changed conditions in good faith.

12. Reservation of title - tools

12.1 If we supply parts to the supplier, we shall reserve title thereto. Processing or conversion by the supplier shall be performed for our company. If our reserved goods are processed with other products that do not belong to us, we shall acquire joint ownership of the new product in the ratio of the value of our goods (purchase price plus VAT) with the other processed items at the time of processing.

12.2 If the goods supplied by us are inseparably mixed with other products that do not belong to us, we shall acquire joint ownership of the new product in the ratio of the value of the reserved goods (purchase price plus VAT) with the other mixed goods at the time of mixing. If mixing takes place in such a way that the supplier's product can be regarded as the main product, it shall be deemed to have been agreed that the supplier transfers joint ownership to us on a proportionate basis; the supplier shall keep the solely owned or jointly owned product for us in safe custody.

12.3 We shall reserve title to tools; the supplier shall be obliged to use the tools solely for the purpose of manufacturing the goods we have ordered. The supplier shall be obliged to insure at his own expense the tools owned by us at their new value against damage caused by fire, water and theft. The supplier shall also now assign to us all compensation claims arising from this insurance; we shall hereby accept this assignment. The supplier shall be obliged to promptly carry out at his own expense any necessary repairs and inspections of our tools, as well as all maintenance work in this respect. The supplier shall inform us immediately about any malfunctions; if he culpably fails to do so, compensation claims shall not be affected.

12.4 If security rights accruing to us under 12.1 and/or 12.2. exceed the purchase price of all of our unpaid reserved goods by more than 10%, we shall be obliged at the request of the supplier to release the security rights according to our choice.

13. Maintenance of secrecy

13.1 The supplier shall be obliged to maintain strict secrecy regarding all received diagrams, drawings, calculations and other documents and information. They may only be disclosed to third parties with our express approval. The obligation to maintain

secrecy shall also apply after this contract has been processed; the obligation shall end if and when the production know-how contained in the supplied diagrams, drawings, calculations and the documents has become common knowledge or it was proved that the supplier was aware of the production know-how at the time of notification within the meaning of Sentence 1.

- 13.2 The supplier shall be obliged to treat our orders and all related commercial and technical details as business secrets.

14. Miscellaneous

The transfer of the supplier's rights and obligations from the contract concluded with our company shall require our written permission in order to become valid.

15. Place of performance and place of jurisdiction

- 15.1 The place of performance shall be Munich.
- 15.2 For all disputes arising from the contract if the customer is a merchant, a legal entity under public law or a special public asset, legal proceedings shall take place at the court which is responsible for our head office. We shall be entitled to take legal action at the head office of the supplier.
- 15.3 German law shall apply to the exclusion of laws on the international sale of goods even if the customer has his head office outside Germany.

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