# epple

# **Purchase Conditions**

Issue: 03-19

#### 1. General

Our purchases are conditional upon the terms contained in this document. Any collateral agreements, amendments to or supplements of this agreement must be in writing in order to be valid. The supplier's terms of purchase shall only apply in case they are confirmed by us in writing as addition to our purchase conditions. The acceptance of deliveries, services or payment for them does not constitute agreement with the terms and conditions of purchase of the supplier.

#### 2. Orders

- 2.1 Orders, closures and delivery schedules, as well as any changes or amendments to them require written form. Delivery calls can also be made by telecommunication. To become effective, oral agreements during the contract negotiation require a written confirmation.
- 2.2 Where the supplier does not accept the order within five working days of receipt, we shall be entitled to cancel the order. Delivery requests shall be binding unless the supplier raises an objection within five business days after receipt of same.

## 3. Delivery

- 3.1 Deliveries deviating from the specifications agreed upon in our contracts and orders require our prior written approval. Agreed delivery dates and time limits are binding. Relevant for compliance with the delivery date or the delivery deadline is receipt of the goods at our plant. Where a delivery "ex works" is agreed, the supplier shall make the goods available in time taking into consideration the time usually necessary for loading and shipment.
- 3.2 If the stipulated times cannot be kept due to a circumstance that is the responsibility of the vendor, we shall be entitled at our choice and without prejudice to further legal provisions, notwithstanding further statutory rights in such cases, at our own choice and without prejudice, to withdraw from the contract after the expiry of a reasonable additional period, to obtain a replacement from a third party and/or to require damages for non-performance. We have the right to claim reimbursement of all additional costs incurred by the late delivery of supplies or services. Acceptance of the late delivery or service does not imply waiver of claims for compensation.
- 3.3 If the supplier foresees that problems could arise in the manufacturing process or in the supply of materials, or if circumstances beyond his will which might prevent him from making delivery punctually and of the quality agreed upon, the supplier must at once inform our ordering department.
- 3.4 Subject to other proof, the values ascertained by the purchaser in the process of incoming goods inspection are definitive for the number of items, weights and measures.

## 4. Advice of dispatch and Invoice

The information in our orders and order releases shall apply. The invoice is to be submitted in duplicate to the respective printed mailing address; the invoice may not be enclosed with the shipment.

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#### 5. Prices and transfer of risk

Saving special provisions to the contrary, prices are stated delivered duty paid (DDP in accordance with the current version of Incoterms) incl. packaging, excl. VAT. The goods shall be at the supplier's risk until the goods have been received by us or our agent at the place of delivery stipulated in the order.

### 6. Payment conditions

Unless otherwise agreed, payment will be effected within 20 days less 3 % discount, within 30 days less 2 % discount or within 60 days net. The deadline shall commence on our receipt of both the invoice for verification and the goods or services. Payment shall be made subject to an audit of the invoice.

#### 7. Warranty

- 7.1 Acceptance shall be made subject to an inspection as to faultlessness, in particular also as to correctness, completeness and suitability. We have the right to check the delivery or performance as soon as it is possible during course of business according to the rules; we shall complain about defects that we discover without delay upon discovery.
- 7.2 Where defects in delivery or service occur, we are entitled, without prejudice to any other rights we have under the statutory regulations, at our discretion to demand free replacement delivery or remedy. We are furthermore entitled to choose either to rescind the contract or to demand a reduction of the purchase price or the wages (reduction). The warranty period is 12 months unless a longer guarantee period has been agreed in writing individually.
- 7.3 The supplier shall furthermore provide a warranty that the goods delivered comply with the latest legal regulations and accident prevention rules.
- 7.4 If incoming goods inspections beyond the usual scope become necessary due to a defective delivery, then the supplier shall bear the costs for the same.
- 7.5 In urgent cases, especially to avert acute danger or to avoid excessive damage, we shall be entitled to rectify defects identified ourselves, at the supplier's expense

### 8. Product damages

In case that a customer or another third party demands product liability, contractor grants our indemnity against such liability in this respect if the damage was caused by a defect of the product which was delivered by the supplier. In cases of liability independent of the originator, however, this shall only apply where it is the fault of the supplier.

In these cases the supplier takes over all the costs and expenditure including the costs of possible legal proceedings or recall action. In addition the legal stipulations shall apply.



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#### 9. Provisions

Any agents, materials, parts, containers and special packaging provided by us shall remain our property. They may only be utilized for the intended use. Processing of materials and assembly of parts is carried out exclusively for us. t is agreed that we shall be the joint owner of the goods manufactured from the materials and parts supplied by us at the ratio of the value of the things supplied by us to the value of the finished products, which are in this respect kept for us by the supplier.

#### 10. Secrecy

Documentation of all types made available to the supplier by us, such as samples, drawing, models, data etc., as well as any other kind of information, may not, provided that they are not identifiably intended for the public, be made accessible to third parties, provided it is not required for the fulfilment of the contract.

Articles produced according to documents prepared by us, or according to our confidential information, may not be used by the supplier himself, nor offered or made available to third parties. This shall correspondingly also apply for printing orders.

#### 11. Place of performance

Place of performance for all claims arising from the order is the delivery location contractually agreed.

### 12. Applicable law, legal venue

The legal venue for all claims and disputes will be to our choice either the location of the supplier, Herrenberg or the place of performance. The contract is subject to the law of the Federal Republic of Germany to the exclusion of any conflict of laws. The UN Convention on the International Sale of Goods (C.I.S.G.) and other international conventions on uniform law on the sale of goods shall not be applicable.