

General Terms and Conditions of Purchase of Steuler Anlagenbau GmbH & Co. KG

Rev. 12/2018

1 General

1.1 Our General Terms and Conditions of Purchase shall apply exclusively; we shall not accept general terms and conditions of business of suppliers which conflict with or are contrary to our General Terms and Conditions of Purchase, unless we have expressly accepted their applicability in writing. Our General Terms and Conditions of Purchase shall even apply if we accept and pay for delivery of a supplier's products and services in knowledge of the fact that his conditions conflict with or are contrary to our General Terms and Conditions of Purchase or deviate from them.

1.2 Our General Terms and Conditions of Purchase shall also apply to all future deliveries and services provided to us by a supplier until such time as our new General Terms and Conditions of Purchase shall come into force.

1.3 Any deviations from the General Terms and Conditions of Purchase set out hereinafter shall require our written confirmation in order to become effective.

1.4 In addition to these General Terms and Conditions of Purchase the seller must take note and give effect to the information provided under <https://anlagenbau.steuler.de/documents-purchasing>. These Documents can be provided to the Supplier upon his request.

2. Quotation and Conclusion of Contract

2.1 Supplier's supply of samples, cost estimates, as well as quotations shall be free of charge, unless expressly agreed otherwise. Cost estimates shall be binding.

2.2 Our enquiries shall be without obligation.

2.3 Orders, contracts and delivery call-offs as well as their amendments and supplements shall require written form or text form.

2.4 Amendments and supplements becoming indispensable in the execution of the delivery or service, as well as collateral agreements of any kind shall be notified immediately by the supplier and shall require our confirmation in the form set out in Clause 2.3 in order to become effective.

2.5 Orders placed by us shall be deemed accepted unless the supplier raises objections within one week after receipt of the order.

3. Delivery

3.1 Agreed dates and time limits shall be binding. The date of receipt of the goods by us shall be decisive for compliance with the delivery period. If delivery terms other than "free buyer's site" or DDP, DAP or DAT according to Incoterms 2010) have been agreed, the supplier shall be under the obligation to prepare the goods for shipment on time, in due consideration of the time required for loading and dispatch to be agreed with the forwarding agent.

3.2 In the event that the supplier undertakes erection and assembly/installation and provided that nothing to the contrary has been agreed, the supplier shall bear all incidental expenses incurred, such as travel costs, costs for the provision of equipment as well as daily allowances.

3.3 The supplier is obliged to inform us immediately as soon as he considers compliance with the delivery date to be at risk.

3.4 The unconditional acceptance of the late delivery or service shall not constitute a waiver of any claims for compensation to which we are entitled due to the late delivery or service.

3.5 Partial deliveries shall not be allowed unless expressly agreed by us.

3.6 The determination of quantities, weights and measures shall be based on the values identified by our incoming goods inspection department, unless other proof is available.

3.7 The supplier is obliged to include our order number in all delivery documents and invoices; if he fails to do so, we shall be entitled to reject the delivery or invoice. The supplier shall be responsible for any delays caused thereby.

4. Force Majeure

4.1 Force majeure, industrial disputes, interruption of operations not due to our fault, riots, government actions, as well as all other inevitable circumstances shall entitle us – notwithstanding our other rights – to rescind the contract in full or in part, to the extent that these circumstances are not of negligible duration.

5. Prices, Quotation, Conditions of Payment

5.1 Agreed prices are exclusive of the statutory VAT.

5.2 Unless specific provisions have been agreed upon, prices shall be DDP to our premises in Höhr-Grenzhausen, Germany (Incoterms 2010), or to a place of receipt freely determined by us, incl. packing and further charges.

5.3 Unless agreements to the contrary have been made, payment shall be effected 14 days following the date of delivery or service in accordance with the order as well as receipt of the correct invoice less 2 percent discount, or within 45 days net.

5.4 We shall have the right to offset suppliers' claims for payment against any such counter-claims to which we or any of our affiliated companies (in which we hold an ownership greater than 50 percent) are entitled.

6. Passing of risk

6.1 The supplier shall bear the risk in the deliveries until receipt of the goods by us or by our agent in the place to which the goods are to be delivered pursuant to the order.

6.2 In the event of deliveries including erection or assembly/installation and in the case of services being rendered the risk shall pass to us upon our acceptance. Formal acceptance shall be required. Acceptance by way of proper use shall be excluded.

7. Claims based on Defects

7.1 Acceptance shall be subject to an examination for faultlessness, especially also for correctness, completeness and suitability. We shall have the right to inspect the object of the contract to the extent and as soon as it is reasonable in the ordinary course of business; we shall give notice of any defects found immediately after their discovery. To this extent the supplier shall waive the objection to a delayed notification of defects.

7.2 The statutory regulations on material defects and defect of title shall apply unless otherwise provided below.

7.3 In the event that samples have been provided, the properties of such samples shall be deemed indicative of the goods' quality. All delivered goods must conform to the samples provided.

7.4 We shall have the right to select the type of supplementary performance. The supplier shall have the right to refuse the type of supplementary performance selected by us pursuant to Article 439, Para. 3 and Article 635 Para. 3 BGB (German Civil Code).

7.5 In the event that the supplier does not immediately begin with the correction of the defect after our request, we shall be entitled to undertake such correction ourselves or to have same undertaken by a third party at the expense of the supplier.

7.6 Claims for defects in quality shall become statute-barred after a period of 2 years, unless a longer statutory period applies. In the event that the delivered products were

used in a structure in accordance with their customary use and have caused its defectiveness, a limitation period of 5 years shall apply.

7.7 In the event of defects in title the supplier shall indemnify us from any third-party claims. Claims for defect in title shall become statute-barred after a period of 10 years.

7.8 With respect to parts of the delivery or service that were reconditioned, repaired, or exchanged within the warranty period, the warranty period shall start anew at the moment the supplier has completely satisfied our claims for performing a contract fulfilment measure.

7.9 The supplier shall bear the costs that incur as a result of defective deliveries or services, especially with regard to transportation, travelling, labour, material, or inspection.

7.10 If, as a result of the defectiveness of deliveries or services, we take back products built and/or sold by us, or if therefore our customers reduced the purchase price, or if claims of whatever nature are asserted against us on that account, we shall reserve the right of recourse against the supplier, whereby the exercise of our warranty rights is not subject to any deadline otherwise required.

7.11 We are entitled to demand a reimbursement from the supplier for expenses incurred because our customers may claim against us the reimbursement of expenses incurred for the purpose of post-fulfilment, especially with regard to transportation, travelling, labour, and material.

7.12 Notwithstanding the provision set out in Clause 7.5, in the cases of Clauses 7.10 and 7.11, the period of limitation shall end at the earliest two months after the date at which we satisfied the claims asserted against us by our customer, however it shall end five years and 2 months after receipt of the deliveries and services from the supplier at the latest.

7.13 If a material defect becomes apparent within 6 months after transfer of risk, it is alleged that the defect was already present at the time of passage of risk, unless this is incompatible with the nature of the product or the defect concerned. The supplier shall be entitled to prove the contrary.

8. Provision of Parts and Materials

Parts or materials provided by us shall remain our property and may only be used as agreed. Any processing and assembly/installation work is executed for us. It is agreed that in relation of the value of the parts and materials provided by us to the value of the entire product we shall become a co-owner of the products that are manufactured using our parts and materials and which will be kept safe for us by the supplier.

9. Product Liability, Indemnity, Insurance

9.1 To the extent that the supplier is liable for a product damage, he shall be obliged to indemnify us and hold us harmless against claims for damages from third parties upon our first request, inasmuch as the cause of the damage lies within the scope of his control and organisation, and inasmuch as he is liable vis-à-vis third parties.

9.2 The supplier's liability for damages within the meaning of Clause 9.1 also obliges him to reimburse any expenses in accordance with Articles 683, 670 of the German Civil Code and Articles 830, 840, 426 of the German Civil Code, insofar as such expenses incur as a result of or in connection with a recall action that we have initiated. We shall inform the supplier - where possible and reasonable - with regard to the content and scope of recall measures to be implemented, and provide him with the opportunity to submit his own statement. Other statutory rights shall remain unaffected.

9.3 The supplier undertakes to maintain product liability insurance with an insured lump sum of a minimum of 5 million EUR per damage event for bodily injury/damage to property, including so-called extended product liability at his own expense. The supplier is obliged to prove the existence of such insurance upon request.

10. Confidentiality

10.1 The supplier undertakes to maintain strict secrecy towards third parties with regard to any business or technical information and documents to which he gains access in the context of the business relationship and which require confidentiality, as long as and to the extent they are not public knowledge, and to use them exclusively in order to furnish the deliveries and services ordered. In the event that subcontractors are involved, such subcontractors shall be placed under the same obligation.

10.2 With respect to the indication of references and to publications, the supplier may not disclose our firm name and trademark unless he has obtained our prior written consent to this effect.

11. Intellectual Property Rights

11.1 The supplier guarantees that the rights of third parties shall in no way be infringed in connection with his delivery or services.

11.2 In the event of a third party raising claims against us in this respect, the supplier shall be obliged to indemnify us and hold us harmless against any such claims upon our first written request; otherwise we shall be entitled to conclude any agreements with the said third party and, in particular, to come to a settlement with such party, all without the supplier's consent.

11.3 The supplier's obligation to indemnify refers to all expenses necessarily incurred by us as a result of or in connection with claims made by a third party.

11.4 The period of limitation shall be ten years, commencing from the conclusion of the contract.

12. Place of Performance, Legal Venue, Applicable Law

12.1 The place of performance shall be the place to which the goods are to be delivered in accordance with the contract.

12.2 The exclusive legal venue for all claims against merchants and legal entities incorporated under public law which result either directly or indirectly from the contractual relationship shall be, upon our own discretion, our head office location. However, we shall be entitled to also sue at any other court of competent jurisdiction.

12.3 All contractual relationships shall be governed by the law of the Federal Republic of Germany to the exclusion of its provisions on international private law. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.