

**FISCHER CORPORATION AND TRADE GmbH  
70794 FILDERSTADT, GERMANY**

**General Conditions of Purchase**

**1. General**

1.1 Our Conditions of Purchase apply exclusively to all contracts subject to which we purchase goods. Our Conditions of Purchase apply only to entrepreneurs within the meaning of section 14 German Civil Code. Supplier's terms and conditions contrary to or deviating from our Conditions of Purchase do not apply. Conditions contrary to or deviating from those of the Supplier only apply if acknowledged by us in writing. Our Conditions of Purchase apply to all future transactions with the Supplier even if this has not even been expressly agreed upon.

1.2 The Supplier's offers are binding. A contract is established either by our placing an order or by the Supplier accepting our order. Orders and call-off requests will be in writing to be effective.

1.3 The documents attached to an offer or our order (illustrations, drawings, weights and sizes, as well as other information on contractual products and services) and references to technical norms serve to provide a description of the product. The goods are suitable for usual use.

**2. Offer of an Advantageous Solution, Documents**

2.1 If the Supplier identifies a solution which is technically or economically more advantageous for us, it will also make us an offer based on the alternative solution.

2.2 We reserve all proprietary rights and copyrights regarding pictures, drawings, calculations and other documents. These documents may only be used for production according to our order. They will be returned to us without special request after the order has been carried out.

**3. Conditions of Payment, Invoices**

3.1 Unless otherwise agreed in writing, we will pay the purchase price with 3% discount within 14 days, calculated from delivery and receipt of invoice, with 2 % discount within 30 days or net within 60 days upon receipt of the invoice.

3.2 Invoices will be sent to us separately by post. We can only process invoices if they contain the order number and the VAT-Identification number of the Supplier.

3.3 The prices given in the offers from the Supplier and in our order apply inclusive of freight, insurance, packaging and all other ancillary costs, free delivery to the destination named by us. Price increases, irrespective of reason, are only possible if agreed in writing.

3.4 If delivery is faulty we are entitled to retain the payment until due satisfaction without the loss of discounts, rebates or similar price reduction to the statutory extent. If the Supplier is required to provide material test results, test protocols, quality documents or other documents, the acceptance of the goods by us presupposes receipt of these documents.

**4. Date of Delivery, Delay, Number of Items**

4.1 The date of delivery stated in the order is binding. The period for delivery starts with the date of order, unless otherwise agreed. Receipt of the goods by us or delivery at the agreed shipping address is definitive for determining whether or not the delivery date has been observed.

4.2 The Supplier will notify us in writing without undue delay if it becomes aware of circumstances which indicate that the agreed date of delivery cannot be complied with. If the information is not provided immediately, the Supplier is liable for all disadvantages we suffer as a result of this failure.

4.3 In the event of a delay in delivery we are entitled to our statutory rights. In particular, we are entitled to claim for damages after expiry of a reasonable deadline if delivery has not been made. Alternatively, in the event of delay we are entitled to claim liquidated damages of 0.1 % of the value of delivery per working day, but not more than 5% of the total value of the delivery.

4.4 The delivered goods have to comply with the conditions of origin of the European Union's most-favoured nation agreements, unless expressly stated otherwise in the order confirmation.

4.5 We only accept the ordered quantity or items. Part-deliveries are only permitted after prior agreement with us.

**5. Delivery, Documents, Dispatch, Handover, Certificates**

5.1 Unless otherwise agreed in writing the goods will be supplied "free domicile". With regard to import contracts, "Delivered Duty Paid D-70794 Filderstadt, Germany" (DDP Incoterms® 2010) applies. Risk is transferred DDP.

Where we have the goods collected from the Supplier the Supplier will place the goods on the HGV of the carrier instructed by us (FCA Incoterms®2010) and will ensure that the goods are kept there safely.

5.2 The Supplier is obliged to specify our order number on all transport and delivery documents; if it fails to comply, delays in processing will be unavoidable.

5.3 On handover to us the goods are transferred to our ownership directly without encumbrance.

5.4 Acceptance inspection certificates, materials testing certificates and other proof of inspection will be submitted as an essential component together with the invoice, at the latest on delivery.

**6. Examination for Defects, Warranty, Quality Assurance, Inspections**

6.1 Acceptance of the delivered goods is subject to examination of the goods for conformity and suitability. We will only examine the goods for possible, externally evident transport damage, non-conformity in quality and quantity within a reasonable period and compliance with quantities and identity. Representative random samples will be adequate where the quantities delivered are large. A complaint is on time if it reaches the Supplier within 14 working days (outside the European Union within 20 working days) of receipt of goods or where defects are concealed, on discovery of defects.

6.2 We are entitled to unrestricted statutory warranty rights. We are entitled to demand at our discretion repair or replacement of the faulty goods from the Supplier. The Supplier is obliged to bear all expenses necessary for repair or replacement.

If our customers have installed the defective goods in another item or combined it otherwise with another item the Supplier is obliged to reimburse all our necessary expenses and all expenses borne by us for our customers to remove the defective item and install or attach the improved or subsequently delivered item free of fault, irrespective of liability.

6.3 The statutory provisions on limitation periods apply.

6.4 The Supplier warrants that the goods correspond to our specifications and requirements; it will check them in this respect before shipping. Irrespective thereof, the goods must correspond to the state-of-the-art technology.

6.5 The Supplier will maintain an effective quality assurance system and demonstrate it upon our request.

6.6 We are entitled to make inspections jointly with our customers in the production facilities at our expense. The Supplier will agree on an inspection date with us within one week of our request. If the goods are not ready for inspection at this date or if defects render further inspections necessary, any costs incurred by us will be borne by the Supplier. The Supplier's liability for defects is not affected or limited by the inspections.

**7. Product Liability, Indemnification, Liability Insurance**

7.1 As far as the Supplier is responsible for damage caused by his products, it must indemnify us on first demand against warranty or compensation claims of any third party.

7.2 The Supplier is also obliged to reimburse us any expenses resulting from or in connection with any recall actions carried out by us or our customer, including costs for legal advice. We will inform the Supplier about the content and the scope of any recall measures, if feasible the Supplier will have the opportunity to comment.

7.3 The Supplier is obliged to obtain product liability insurance with a minimum coverage of EUR 2,5 million for each personal injury claim and each claim for damage to property and to provide proof thereof on request. This provision will not limit the Supplier's liability.

**8. Force Majeure, Insolvency, Illiquidity**

8.1 If the delivery is delayed due to force majeure, industrial action, disruption arising through no fault of either party, unrest, official measures, cyber attacks and other unavoidable events we may rescind the contract if such events cause a delay in delivery of more than at least four weeks.

8.2 If the Supplier stops payments or if a request to commence insolvency proceedings is filed against the assets of the Supplier we are entitled to rescind the contract.

**9. Proprietary Rights of Third Parties**

If the Supplier is responsible for infringing any trade marks, copyrights or other industrial property rights (including trade secrets) of third parties it will be liable for any damages arising therefrom. If claims are filed against us by a third party owing to such legal infringement, the Supplier will be obliged to indemnify us against such claims on first written request.

## **10. Transport, Confidentiality**

- 10.1 Delivery note and packing slip will be attached to the delivery. All transport documents will show in full the order number and all data concerning place of unloading, recipient of the goods and place of installation.
- 10.2 Even when we have the goods collected from the Supplier the Supplier will ensure safe transport through packaging and secure stowage of the goods on the HGV.
- Where we agree shipping the Supplier will choose the most economic and suitable means of transport. The shipment is performed at the Supplier's risk.
- 10.3 The Supplier is obliged to keep confidential all pictures, drawings, calculations, and any other documents and information obtained. Such documents may only be disclosed to third parties with express prior consent. This confidentiality obligation continues to apply after completion of the contractual duties and only expires when all know-how obtained is in the public domain.

## **11. Place of Performance, Jurisdiction, Choice of Law**

- 11.1 Place of performance is our registered office in D-70794 Filderstadt, Germany.
- 11.2 Stuttgart Regional Court, Germany, is the competent court for all disputes arising from or in connection with contracts under these Conditions.
- 11.3 All contracts are subject to German law excluding the United Nations Convention on Contracts for the International Sale of Goods (CISG).

## **12. Miscellaneous**

- 12.1 Contractual rights and duties are not assignable without our prior consent.
- 12.2 We are entitled to rights of set-off and retention and the defence of unperformed contract to the statutory extent. The Supplier may not have the right to set-off or retain contractual performance other than against claims which expressly have been acknowledged by us or finally and absolutely upheld by a court.
- 12.3 If individual provisions of these Conditions are or become invalid in whole or in part this will not affect the validity of the rest of the Contract. These will be replaced by the valid or implementable provisions which reflect as closely as possible the purpose of the invalid or unenforceable condition.
- 12.4 Modifications, amendments or other collateral agreements to these Conditions or to contracts concluded will be made in writing.

## **13. Data Processing, Date of Coming into Force**

- 13.1 We are entitled to save and process data in connection with business affairs.
- 13.2 These Conditions will apply from September 2018 onwards.