

# **Standard Terms and Conditions for the Purchase of Goods (Import)**

## **1. Application**

(1) These terms and conditions of purchase shall apply exclusively. Differing or contrary terms shall not apply except if expressly agreed upon in writing.

(2) These terms and conditions of sale shall also govern all future transactions between the parties and shall also apply if the buyer accepts delivery despite his knowledge of differing or contrary terms.

(3) These terms and conditions of sale shall only apply vis á vis entrepreneurs, governmental entities, or special governmental estates within the meaning of sec. 310 para. 1 BGB (German Civil Code).

## **2. Offer, Acceptance**

The contract shall be deemed to have been entered into when, upon receipt of an order, the seller has sent an acceptance in writing within the time limit of fourteen days hereby fixed by the buyer.

## **3. Prices**

The price of the order or the seller's quotation and offer as accepted by the buyer shall be binding. Prices as agreed upon shall include the cost of packing or protection required under normal transport conditions to prevent damage, and shall also include applicable value added tax.

## **4. Terms of payment**

Payment shall be made in the manner and at the time or times agreed by the parties. If not agreed upon otherwise payment of the delivery shall be made within fourteen days after delivery and invoice with a 2% discount or within thirty days net.

## **5. Delivery**

(1) Delivery shall be effected on due date as being fixed in the contract or the order of purchase being subject to the contract.

(2) The seller is obliged to give immediate notice in writing to the buyer if a delay in delivery is to be expected.

(3) If the seller fails for any reason whatsoever to effect delivery on due date the buyer shall be entitled by notice in writing to the seller to recover from the seller any loss suffered by reason of such failure (i.e. for additional costs for transportation, insurance, storage etc.) but not exceeding an amount of 10% of the total contract price.

## **6. Transfer of risks**

Save as provided in an individual contractual agreement the time at which the risk of damage or loss of the goods shall pass shall be fixed in accordance with the Incoterms 2010 of the International Chamber of Commerce. If no further indication is given in an individual contract of purchase, the goods shall be deemed to be sold "DDP" (delivery duty paid, Incoterms 2010).

## **7. Offset, Retainer**

We reserve all rights to offset or retain payment provided by applicable law.

## **8. Warranties**

### *8.1 Warranties relating to the quality of goods*

(1) The seller warrants that all items delivered under this agreement will be free from defects in material and workmanship, conform to applicable specifications, and, to the extent that detailed design have not been furnished by the buyer, will be free from design defects and suitable for the purposes intended by the buyer.

(2) Seller's warranties hereunder shall extend to any defect or non-conformity arising or manifesting itself within two years after delivery. With respect to items not in accordance with any such warranties, the buyer, without waiving any rights or remedies provided by law and/or elsewhere under these terms and conditions, may require the seller to correct or replace such items at the seller's risk and expense or refund such portion of the price as is equitable under the circumstances. Any items corrected or replaced shall be subject to the provisions of these terms and conditions in the same manner as those originally delivered hereunder.

### *8.2 Warranties of compliance with laws*

The seller warrants and undertakes to the buyer that in the performance of any contract of sale he will comply with all laws, rules, regulations, decrees and other ordinances issued by any governmental, state or other authority relating to the subject matter of these terms and conditions and to the performance by the parties hereto of their obligations hereunder.

### *8.3 Warranty of title*

The seller warrants that the goods are in his absolute property and none are subject of any option, right to acquire, assignment, mortgage, charge, lien or hypothecation or any other encumbrance whatsoever or the subject of any factoring agreement, hire-purchase, conditional sale or credit sale agreement.

### *8.4 Further warranty provisions*

(1) The buyer reserves all rights and remedies for non-conformity provided by applicable law. The buyer is especially entitled, upon his election, to claim remedy of defects, delivery of conforming goods, and damages.

(2) In case of imminent danger the buyer is entitled, after giving notice to the seller, to remedy the defects on the seller's cost.

(3) Warranty claims shall be time-barred after 36 month of the transfer of risk.

## **9. Liability**

(1) The seller shall, upon first demand, indemnify the buyer and hold him harmless from and against any and all liability or claims of third parties based on the manufacture, delivery, storage, or use of the delivered goods. The above indemnification shall not apply if the claim is based on intentional or grossly negligent breach of duties by the buyer.

(2) The seller shall, at all times during the term of this contract, maintain product liability insurance with an adequate minimum insurance amount for each single occurrence of personal and property damage. Further damages shall remain unaffected.

## **10. Miscellaneous**

(1) This agreement supersedes and invalidates all other commitment and warranties relating to the subject matter hereof which may have been made by the parties either orally or in writing prior to the date hereof, and which shall become null and void from the date of the agreement is signed.

(2) This agreement shall not be assigned or transferred by either party except with the written consent of the other.

(3) Each party shall be responsible for all its legal, accountancy or other costs and expenses incurred in the performance of its obligation hereunder.

## **11. Applicable law, Place of jurisdiction**

(1) Any agreement concluded between the parties according to these terms and conditions shall be governed by and construed in accordance with German law, explicitly relating to the provisions of the Convention on Contracts for the International Sale of Goods – UN Sales Convention/CISG). Outside the application of the law of the UN Sales Convention/CISG, the contractual relationship shall be governed by non-uniform substantive German law, namely by the law of the German Civil Code (BGB).

(3) The buyer shall have the right to bring a claim before a court at the seller's principal place of business or at his discretion before any other court being competent according to any national or international law.