

## General Purchase Conditions REINHAUSEN-Group

### 1. Application of the Purchase Conditions

- 1.1. These General Terms and Conditions of Purchase apply to all purchases of movable products from the supplier regardless of whether the products are produced by the supplier itself or by a subcontractor. The current version in effect as of the time of placement of the respective order or, as the case may be, the most recent version communicated to the supplier in text form (e-mail or fax) as a framework or master agreement will also apply in the case of similar orders in the future even if not expressly mentioned in such orders. They apply correspondingly to the purchase of works and services provided, however, in the case of the purchases of, works instead the “acceptance of delivery of the goods” with the “acceptance of the work” shall be substituted and in the case of services, instead the “acceptance of delivery of the goods” the “receipt of the service” shall be substituted.
- 1.2. Terms and conditions of the supplier that conflict with, supplement, or deviate from the present Purchase Conditions shall not become part of the contract unless we expressly approve their inclusion in writing. These Purchase Conditions apply regardless of whether we accept delivery from the supplier without reservations while being aware of the supplier’s conflicting or deviating terms and conditions.
- 1.3. Individual agreements (including collateral agreements, modifications and changes) take priority over these Purchase Conditions. The content of any such agreements will, unless proof is provided to the contrary, apply only insofar as agreed or confirmed in writing.
- 1.4. Notices of the Supplier regarding any order (e.g. notice to cure, rescission) must be submitted to us in writing or in text form (e.g. by postal mail, e-mail, fax). Any formal legal requirements or other requirements will remain unaffected, in particular in the case of any doubt as to the legal authority of the party issuing any such notice.
- 1.5. Rights in addition to these Purchase Conditions to which we are entitled according to applicable statutory provisions remain unaffected. In some instances, these Purchase Conditions only clarify statutes or regulations already applicable. The respective provisions of law will also apply in the absence of such express clarification unless expressly changed or waived by these General Purchase Conditions.
- 1.6. The download section of our website [www.reinhausen.com](http://www.reinhausen.com) contains provisions which can be accessed by the supplier and which also apply to the extent they do not conflict with these Purchase Conditions. The download section may be accessed by using the “Suppliers” link on the home page of our website. The download section of HIGHVOLT may be accessed at [www.highvolt.de](http://www.highvolt.de) by using the “Download Center” link.

### 2. Conclusion of the contract

- 2.1. All supplier’s offers and cost estimates shall be made at no cost to us, unless otherwise agreed in writing.
- 2.2. The purchase order is placed on the condition of supplier’s full compliance with the Regulation (EC) No. 1907/2006 of the European Parliament and European Council of 18 December 2006 on the registration, evaluation, authorization and restriction of chemicals (REACH) as well as the specifications 2011/65/EU DIRECTIVE OF THE EUROPEAN PARLIAMENT AND EUROPEAN COUNCIL of 8 June 2011 on the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS) and the Ordinance on the restriction of the use of certain hazardous substances in electrical and electronic equipment (ElektroStoffV) of 19 April 2013 as well as the non-use of conflict minerals according to “Dodd-Frank Act”. The purchase order, changes or additions to the order, and other agreements made at the conclusion of the contract shall be binding when we make it or confirm it in writing. An order that has been generated with the use of automatic systems and which includes neither a signature nor a name shall nevertheless be deemed to be a written order. Additionally, orders may be issued by email or fax. Silence on our part following offers, requests, or other declarations of our supplier shall be deemed to constitute consent only with our express consent pursuant to subsection 1.3 in the individual case. To the extent that a purchase order contains obvious errors, misspellings, or calculation mistakes and/or the purchase order including any kind of documentation may be incomplete, supplier shall bring this to our attention; otherwise such purchase order shall not be binding upon us.
- 2.3. We expect to receive supplier’s written confirmation of our purchase order – such confirmation to contain no reservations and to include our order and material number – within five days after the order date unless we have – expressly and in writing - waived receiving a confirmation of the order. Supplier’s belated acceptance of the offer shall be deemed to be a new offer that requires our confirmation.
- 2.4. Before the conclusion of the contract, the supplier shall advise us in writing if the goods ordered are subject to any export control or other restraints on marketability according to the regulations applicable in the Federal Republic of Germany. Otherwise, we may withdraw from the contract without setting a deadline for the performance of this obligation and without regard to supplier’s fault. Further claims on our part are not excluded.

### 3. Performance of the contract

- 3.1. The delivery date specified in the purchase order shall be binding. The delivery shall correspond to the purchase order in terms of execution, scope, and scheduling and shall be carried out on schedule. The delivery periods commence on the date of the purchase order. The goods shall be received at the delivery

- address we stated within the delivery period or on the agreed delivery date. If we request, the supplier shall notify us without undue delay of the dispatch of the goods.
- 3.2. If it becomes clear to the supplier that it cannot meet the agreed delivery date, the supplier shall notify us without undue delay in writing, also stating the reasons for and the probable duration of the delay; such notification shall not affect the supplier's obligation to deliver on schedule.
  - 3.3. If the supplier's performance is delayed, we may assert claims with respect to the damage sustained due to the delay and, after a reasonable additional period of time we set for performance has expired without performance, to withdraw from the contract and/or claim damages in lieu of performance.
  - 3.4. In addition to statutory rights, we may claim from the supplier liquidated damages of 0.5% of the net remuneration or net order value (as the case may be) to the delayed delivery or performance for each commenced calendar week of delay – up to a maximum of 5% – from the commencement of the delay in delivery or performance. These liquidated damages will be credited against the damage caused by delay which the supplier is liable to compensate. We reserve the right to claim liquidated damages and may assert any such claim until the final payment. We also reserve the right to prove that greater damages have resulted. The supplier may try to prove that no or a lower amount of damages have occurred.
  - 3.5. The acceptance of a late delivery does not constitute a waiver of claims for damages.
  - 3.6. The supplier shall timely notify us of any changes in the maximum delivery periods (replacement times) from the delivery periods supplier communicated to us.
  - 3.7. Early deliveries or early provision of services shall be subject to our approval. We may return goods delivered early at the supplier's expense or store these goods at the supplier's expense until the agreed on delivery date.
  - 3.8. Partial deliveries and excess or short deliveries are not permitted, to the extent not otherwise agreed. We reserve the right to accept such deliveries on a case by case basis. No such acceptance shall affect any other delivery.
  - 3.9. The supplier shall observe our specifications for the dispatch of the goods, in particular, our General Packaging and Shipping Instructions, as amended from time to time. These instructions are available in the download section of our website [www.reinhausen.com](http://www.reinhausen.com).
  - 3.10. Shipping documents shall contain the order number and material number for each item. Additionally, they shall contain the exact designation of the goods, the weight (gross/net) and the packaging of the goods to be delivered. If the shipping documents are not available at the time the goods reach us, the goods will be deemed to be undelivered. Additional costs incurred as a result of the supplier's failure to comply with a shipping instruction, or by using faster transportation to ensure compliance with the agreed delivery date, shall be borne by the supplier.
- 4. Assignment, retention of title**
- 4.1. The supplier may assign its claims against us to a third party, or have such claims collected by a third party, but only with our prior written consent unless the claims concerned have been established by final declaratory judgment, are ready for decision, or are undisputed. If we refuse our consent but the assignment of a claim is valid pursuant to article 354a of the Commercial Code, the assignor shall compensate us for all additional costs that may result from the assignment.
  - 4.2. We hereby reject any retention-of-title clauses which exceed the scope of a simple retention of title. Such clauses require our prior written approval to be valid in each case.
  - 4.3. If, despite our objection, subcontractors assert ownership rights, co-ownership rights, or liens vis-à-vis us or have measures of compulsory execution carried out, supplier shall be liable for any resulting damage we sustain as provided by law.
- 5. Passing of risk, notification of defects**
- 5.1. The supplier bears the risk of accidental destruction and deterioration of the goods until we accept delivery of the goods at the delivery address stated in the purchase order. If supplier's duties include delivery with installation or assembly or any other success-based performance, risk shall pass to us only upon acceptance.
  - 5.2. We will notify the supplier (a) of any externally visible defects no later than five working days after we take delivery of the goods or place the goods into operation; and (b) of any hidden defects no later than five working days after their discovery.
  - 5.3. In the case of consignments comprised of a large number of similar goods, we may limit our examination for defects to a reasonable random sample of the pieces supplied. If examination makes the goods examined impossible to sell, we will conduct a random sample of 0.5% of the pieces supplied.
  - 5.4. If single, random samples of a consignment are defective, we may demand that the supplier single out the defective pieces or, at our option, assert claims for defects with respect to the entire consignment. If defects of the goods require an examination of the goods which exceeds the usual scope of examination of incoming goods, the supplier shall bear the cost of this examination.
  - 5.5. A Quality Assurance Agreement between supplier and us shall prevail over this section 5.
- 6. Invoicing, payment**
- 6.1. Invoices shall be submitted for each order separately upon complete delivery, completion of the services, and initial operation or, if a success-based performance is required, after the acceptance of this performance. The invoice shall state the order number, order date, and supplier number. Invoices which do not include the order number, order date, or supplier number will be deemed not to have been received because they cannot be properly processed.

- 6.2. The agreed upon prices are fixed prices. Unless agreed otherwise pursuant to subsection 1.3, the price includes the cost of packaging, shipping devices, and transportation to the delivery address we state, as well as customs and other official duties. Statutory value-added tax is included in the price unless the price has been expressly stated to be a net price. If we request, supplier shall take back packaging.
- 6.3. Unless otherwise agreed the price agreed will be due within 14 days of the dates described below with a 3% discount for prompt payment or within 30 days net upon receipt of a properly issued invoice, not, however, before the contract has been fully performed without defects. Payment will be made subject to reservation of the right to examine the invoice. If a delivery/performance is defective, we may retain payment until the order has been properly performed without losing our claim to discounts, discounts for prompt payment, or similar price reductions. The time for payment commences after all defects have been fully cured. If goods are delivered early, the time for payment shall not commence until the agreed delivery date. To the extent that the supplier must provide documents concerning the testing of material, inspection records, quality documents, or other documents, the receipt of these documents shall be a prerequisite for acceptance of delivery of these goods.
- 6.4. We will make payments only to the supplier. Supplier's counterclaims entitle the supplier to a set-off only if the counterclaims have been established by final declaratory judgment or if we do not dispute them. The supplier may assert a right of retention only if the supplier's counterclaim is based on the same contractual relationship.
- 6.5. If we pay the supplier without asserting complaints or explanations of the payment, the payment may nevertheless not be considered to be an affirmative acknowledgment of the obligation.
- 7. Rights in case of defects**
- 7.1. Unless otherwise agreed, our rights include all statutory rights in case of (a) defects as to quality and title of the goods and (b) any other breach of duty. The supplier will, among other things, be responsible to see that the goods and services correspond to the latest state of science and technology, the applicable legal provisions, and the regulations and guidelines issued by public authorities, employers' liability insurance associations, and professional associations, as well as for their compliance with then current environmental provisions.
- 7.2. If the items to be delivered are machines, devices, or equipment, they shall meet the requirements stipulated in the special safety regulations for machinery and equipment applicable at the time of performance of the contract and shall have a CE label.
- 7.3. Our consent to supplier's drawings, calculations, or other technical documents does not affect the supplier's responsibility for defects, nor its liability under any guarantees it has given.
- 7.4. Neither the acceptance of a delivery of goods nor the processing, payment for, nor issuance of subsequent orders for goods which have not been discovered to be defective and the defects of which have, therefore, not been notified shall constitute our approval of the delivery or our waiver of claims for defects.
- 7.5. We may claim, at our option, subsequent performance by repair, by replacement delivery or by new production in accordance with applicable statutes. The supplier shall compensate us for any and all damages sustained and reimburse us for the costs and expenses of obtaining proper performance, including but not limited to costs of troubleshooting, retrofitting, assembly and disassembly, transport, travel, work and materials. We will also be entitled to receive indemnification as provided by law for any loss or damage suffered by us. If subsequent performance has not obtained in a reasonable period of time, where subsequent performance has failed, or where extending the period for performance is dispensable, we may withdraw from the contract or reduce the purchase price and claim damages in lieu of performance or reimbursement of expenses incurred in trying to achieve proper performance, all in accordance with applicable statutes. The supplier shall bear the cost and risk of return shipment resulting from its non-performance. If we have claims under guarantees and these claims exceed the statutory rights available in the case of defects, such claims shall remain unaffected.
- 7.6. If, without having a right to refuse subsequent performance, the supplier fails to perform its obligation to perform within a reasonable period set by us, we are further entitled to carry out the necessary measures ourselves, or have them carried out by a third party, all at the expense and risk of the supplier. In emergency situations - where it is practically impossible to notify the supplier of the defect and the impending damage and to set a period of time for remedial action because of particular urgency and/or because of the likelihood of material damages – as compared to supplier's warranty obligation – is to be expected in the absence of remedial action (e.g. to avoid an interruption of production), we may take the necessary measure immediately and without setting even a short period for cure and without prior consultation of the supplier.
- 7.7. The limitation period for our claims for defects shall be the longer of 24 months or the period provided by Sec. 438 I and III of the German Civil Code. If we give notice of claims in respect of defects during the limitation period, they shall become time-barred no earlier than six months after the date of such notification. If we acquire goods for resale, the limitation period shall commence when the limitation period applicable to the resale of the goods commences, but no later than six months after the goods are delivered to us. The same rule applies if we acquire goods for purposes of further processing.
- 7.8. The limitation period for our claims for defects shall be suspended for the period during which the goods supplied leave our company for repair.
- 7.9. In the event of repair or a replacement delivery, the limitation period for any parts or components replaced or repaired will commence anew. In the case of a repair, however, this rule applies only insofar as it applies to the same defect or the consequences of a defective repair. The period does not, however, commence anew if

the repair or replacement is merely by reason of good will or for similar reasons, rather than in the performance of an obligation.

- 7.10. The supplier shall be obligated to supply us with the necessary replacement parts, accessories, and tools, if any, for a period of another ten years after the expiration of the limitation period.

## **8. Infringement of industrial property rights**

- 8.1. The supplier hereby warrants that no third-party property rights are infringed in connection with the supplier's delivery and our use of the goods in accordance with the contract.
- 8.2. If any third party holds us liable for an infringement of its property rights due to the delivery and use of the goods as agreed and the supplier is responsible for this infringement, the supplier shall indemnify us against all claims asserted and reimburse us for all necessary expenses in connection with our being held liable and at our option, to acquire the necessary licenses from the copyright holders or to take back the infringing products.
- 8.3. Any further legal rights in respect of defects of title to goods received by us will remain unaffected.

## **9. Product liability, insurance**

- 9.1. The supplier shall indemnify us against all third-party claims under German or foreign product-liability law that are based on a defect in the product delivered by the supplier to the extent that the supplier is responsible for the product defect and the damage sustained according to the principles of product-liability law.
- 9.2. Supplier shall also reimburse us under the same conditions for all expenses which result from, or which we incur in connection with, any precautions – in particular, product warnings, an exchange of products, or product recalls – taken by us in response to our being held liable under product-liability law. Where possible and reasonable, we will advise the supplier of the scope and contents of the measures to be taken and give the supplier the opportunity to comment thereon.
- 9.3. The supplier shall insure against all risks arising from product liability. Such insurance shall be in a minimum amount of EUR 3,000,000 for each instance of liability, and shall be evidenced, upon our request, by a then current certificate of insurance.
- 9.4. Unless otherwise agreed supplier shall label its products permanently to show it as manufacturer if this can be done at reasonable expense.

## **10. Provision of items and manufacture of tools**

- 10.1. We retain title to, and/or all copyrights and other property rights in, the means of production of any kind whatsoever (such as supplies provided for use, devices, tools, artworks, samples, models, company standards, drawings, software, and other items) which we provide to the supplier for the manufacture of the goods or for other reasons.
- 10.2. Company standards, drawings, software and other documentation will be made available in either the German or English language.
- 10.3. If the supplier manufactures the means of production paid for by us and on our behalf, then, upon completion of such manufacture, we shall automatically acquire ownership thereof – to the extent that ownership can be acquired – as well as any and all rights of use and exploitation in respect of industrial or other property rights created. The means of production shall be labeled as our property. We shall provide the supplier these means of production free of charge to manufacture the ordered goods.
- 10.4. The supplier shall use these means of production exclusively for the manufacture of the goods we order or according to other specifications we make. These means of production may not be made available to any third party. The supplier shall notify us without undue delay of any inquiries by third parties. The supplier may not make copies, replicas, or other reproductions of the means of production.
- 10.5. The supplier shall return the means of production to us without our request and without undue delay at its own expense if the provision of these means of production is no longer required for the manufacture of the goods ordered, or if the negotiations do not result in the conclusion of a contract. The supplier shall have no right of retention with respect to the means of production.
- 10.6. Items within the meaning of Sec. 10.1 above may be processed or altered by the supplier only with our written approval and according to our specifications. Any processing or alteration shall be made on our behalf. If such items are processed together with other items not belonging to us, we will acquire a co-ownership interest in the new item equal to the ratio – as at the time of processing – of the value of our items to that of the other items processed.
- 10.7. The supplier shall handle the means of production with due care and to properly store them; the supplier may dispose of the means of production only with our written approval, even if no deliveries have been made to us with the use of these means of production for a substantial period of time. The supplier shall insure the means of production at its own expense at replacement value against damage by fire, water, and theft. The supplier hereby assigns to us all claims for compensation under these insurance contracts. We hereby accept the assignment.
- 10.8. The supplier shall carry out in a timely manner all servicing and inspection work that may become necessary and all maintenance and repair work with respect to the means of production made available to it in consultation with us. The supplier shall notify us without undue delay of any damage.

## **11. Confidentiality, advertising**

- 11.1. The supplier shall keep any and all information received through us which is stated to be confidential, or which can be recognized as a trade or business secret according to circumstances, confidential for 3 years after the business relationship has ended; the supplier may neither record nor disclose nor exploit such information unless such recording, disclosure, or exploitation is required for the delivery to be made to us.

11.2. The supplier shall ensure by means of suitable contractual arrangements with the employees and agents working on its behalf that these persons, too, refrain for an unlimited period of time from any exploitation, disclosure, or unauthorized recording of such trade and business secrets for their own purposes.

11.3. Any reference by the supplier to its business relationship with us in illustrations, brochures, and advertising material shall be subject to our prior written approval, which approval we agree not to withhold unreasonably.

## **12. Force majeure**

12.1. If we are prevented by force majeure from performing our contractual obligations, including, without limitation, from taking delivery of the goods, we shall be released from our obligation to perform for the duration of the impediment and for a reasonable start-up period thereafter without being liable to the supplier for damages. The same shall apply if the performance of our obligations becomes unreasonably complicated or temporarily impossible for us due to unforeseeable circumstances for which we are not responsible, in particular, without limitation, due to industrial action, official acts, shortage of energy, or significant business disruptions.

12.2. We may withdraw from the contract in whole or in part if any such impediment lasts more than four months and the performance of the contract is no longer of interest to us as a result of such impediment. At the request of the supplier, we will declare after the expiration of this four-month period whether we make use of our right to withdraw from the contract or we will take delivery of the goods within a reasonable period of time.

## **13. Liability**

We are liable for simple negligence only if material obligations are thereby breached, i.e., obligations the performance of which is a prerequisite to the proper performance of the contract and compliance with which the contract partner generally relies upon and can rely upon. If such obligations are breached, our liability is limited to such damage or losses as must typically be expected within the framework of the contract. In all other cases, liability for simple negligence is excluded. The preceding limitations of liability do not apply to damage or losses resulting from breach of guarantee or from death, bodily injury or damage to health; moreover, they apply neither in cases of willful misconduct or gross negligence nor in cases of mandatory statutory liability for product defects.

## **14. Code of Conduct**

Supplier obligates itself to comply with applicable laws, not to tolerate bribery or any other form of corruption, and to respect the basic rights of workers as well as the prohibition on child and forced labor. Supplier is also responsible for the health and safety of its employees at their place of work, for their proper payments and working hours, to comply with environmental laws and to require and promote compliance with these principals by its suppliers

## **15. Final provisions**

15.1. Subcontractors will be deemed parties employed by the supplier in the performance of its obligations. The supplier shall identify them in detail upon our request.

15.2. If the supplier suspends payment or a petition for the institution of insolvency proceedings against the assets of the supplier is filed, we may withdraw from the contract in whole or in part.

15.3. The place of performance shall be the delivery address we state.

15.4. The exclusive place of jurisdiction for all disputes arising from the business relationship between the supplier and us shall be Regensburg, Germany, if the supplier is a merchant as defined in the German Commercial Code, a legal person under public law, or a special public fund. However, we may also sue the supplier in the jurisdiction where it has its general place of business, as well as at any other permissible place of jurisdiction.

15.5. The legal relations between the supplier and us shall be governed by the laws of the Federal Republic of Germany, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).