

TERMS AND CONDITIONS OF PURCHASE

of KRUG & PRIESTER GmbH & Co. KG, Simon-Schweitzer-Str. 34, D-72336 Balingen

Status: February 22, 2021

1. Scope

- 1.1 The following conditions apply to all contracts on the supply of goods concluded between us and the supplier. They also apply to all future business relationships even if not expressly agreed upon once again.
- 1.2 Contradictory or deviating conditions of the supplier which we have not expressly acknowledged, shall not have binding force for us even if we have not expressly contradicted to such conditions. Our conditions shall also apply if we unconditionally accept the supplier's delivery and in doing so are aware of contradictory conditions or conditions that deviate from the supplier's conditions. Accepting deliveries and services or making payments for these does not constitute any approval whatsoever to the supplier's terms and conditions of sale.

2. Offer and Offer Documents

- 2.1 An effective order placement or amendment to an order can only be provided by us in writing.
- 2.2 We shall remain bound by our order for 14 days. The supplier may only accept our order during these 14 days by issuing a written statement to us.
- 2.3 We reserve all rights of ownership and copyrights in respect of illustrations, drawings, calculations and other documents that are part of the order. They may not be made available to third parties without our express approval. They are to be used exclusively for the manufacture or delivery based on our order. They must be returned unsolicited to us upon final completion of our order.
- 2.4 If the supplier's order confirmation deviates from our order we shall only be bound by such deviations if these have been approved by us in writing. Accepting the delivery and payment in respect of the same does not constitute any approval whatsoever.
- 2.5 Executing our order is deemed as acceptance of these terms and conditions of purchase.

3. Prices and Payment Conditions

- 3.1 The price stated in our order has binding force. In the absence of written agreements to the contrary, the price includes delivery "free domicile" and packaging.
- 3.2 Unless something different has been agreed in written, payment shall be made within 14 days calculated from delivery and receipt of invoice with a 3% trade discount or within 30 days following receipt of invoice without any deductions.

4. Delivery

- 4.1 Agreed delivery dates and periods are to be complied with. Deviations are only permitted following our prior, written approval. Decisive for compliance with the delivery date or period is receipt of the goods at our premises. Stated delivery dates and delivery periods refer to the time at which the delivery item is handed over to us at the place of destination stated by us.
- 4.2 The supplier undertakes to inform us in writing without delay if circumstances occur or are identified, which mean the agreed delivery period cannot be complied with.
- 4.3 In the event of default in delivery we shall particularly be entitled to the statutory claims. This does not affect contractual claims that extend beyond that. After the fruitless expiration of a reasonable period of time we shall be entitled to request compensatory damages, including consequential damage and claims for the reimbursement of expenses, instead of performance and withdrawal.
- 4.4 Unless evidence to the contrary is presented, the quantities, weights and measures ascertained by our incoming goods inspection are decisive.

5. Passing of Risk

- 5.1 In the absence of agreements to the contrary, items are to be delivered free domicile to the delivery address requested by us.
- 5.2 Risk shall pass to us only following acceptance by us of the supplier's performance and at the agreed delivery address. Section 447(1) BGB (German Civil Code) does not apply.

6. Quality Assurance

- 6.1 The supplier's deliveries must correspond to the agreed quality (e. g. description, specifications, data sheets, drawings and samples). They must be free of material defects and defects in title and be suitable for the use described by us.
- 6.2 The supplier must ensure to maintain a suitable quality management system which particularly creates the recording of quality checks. These are to be made available with the respective deliveries or services upon request.
- 6.3 We are to be notified without delay on UL-relevant amendments on the part of the supplier. Expenses that we incur resulting from the supplier's failure to honour this information obligation, shall be borne by the supplier.

7. Inspection for Defects and Liability for Defects

- 7.1 The supplier ensures that its deliveries comply with our order in every respect and that they are free of material defects and defects in title.
- 7.2 In the event that third parties take legal action against us in conjunction with the designated use of the object of delivery based on an infringement of rights, the supplier shall indemnify us against such a claim.
- 7.3 We are to inform the supplier without delay of defects in the delivery as soon as we can identify these in accordance with circumstances as part of the ordinary course of business. Insofar, the supplier shall waive any objection of delayed notice of defect. In the case of hidden defects, notification of defects shall be deemed provided in good time if the supplier is provided with such notification without delay once such defects are identified.

- 7.4 We are entitled to the statutory claims for defects in full. This does not affect contractual claims that extend beyond that. In any case, we are entitled to request that the supplier rectifies defects or deliver a new item. We expressly reserve the right to claim for damage, including for consequential damage and claims for the reimbursement of expenses, in particular the right to claim for damage instead of performance.
- 7.5. We are entitled, at the supplier's cost, to rectify defects in the event of imminent danger or in case of special urgency.
- 7.6 As a general rule, the period of limitation for material defects is 36 months beginning with the passing of risk.

8. Proprietary Rights and Reservation of Title

- 8.1 The supplier is to ensure that no rights of third parties are violated in conjunction with its performance. If legal action is taken against us by a third party based on an infringement of a right in conjunction with the supplier's delivery, the supplier undertakes, following a corresponding request, to render us exempt from such claims without delay.
- 8.2 Insofar as we make available to the supplier any kind of parts, tools, drawings or data of different types, in order for him to fulfil the order, we reserve the title of ownership to such items. The supplier is permitted to use the parts and tools that we own exclusively for the manufacture of the goods ordered by us.
- 8.3 The period of limitation is 10 years calculated from the date the contract is signed.

9. Secrecy

- 9.1 The supplier is obliged to nondisclosure with regard to all company and trade secrets. This includes particularly any kind of drawings, calculations and data.

10. Assignment

- 10.1 The assignment of the supplier's claims against us is excluded. Excluded from this regulation are financing purposes.

11. Statute of Limitations

- 11.1 In the absence of conditions of purchase agreed upon to the contrary, the statutory limitation periods shall apply.

12. Invoicing

- 12.1 Invoices must be sent by ordinary mail to the a.m. address, alternatively invoices in digital form (pdf-format only) must be sent to the Email-address invoice@krug-priester.com

13. Place of Performance and Place of Jurisdiction

- 13.1 In the absence of express agreements to the contrary in written, solely our registered office in Balingen is deemed the place of performance for all the supplier's services and for all obligations on our part, particularly for our payment obligations.
- 13.2 Our principal place of business in Balingen is additionally the exclusive place of jurisdiction for all disputes between us and the supplier.

14. Safeguarding Clause

- 14.1 In the event that individual provisions of this contract are invalid or impracticable or become invalid or impracticable after conclusion of the contract, this shall not affect the validity of the contract in other respects. In the place of the invalid or impracticable provision, a valid and practicable regulation is to apply, the effects of which come closest to the economic objective pursued by the contracting parties by way of the invalid or impracticable provision. The above provisions apply correspondingly in cases where loopholes in the contract are revealed.