

**General Terms of Purchasing  
of the IWM Group of Companies**

**§ 1**

**The scope of application**

- (1) Our General Terms and Conditions (GTC) apply to the purchasing of goods and the commissioning of services according to the stipulation of the contract concluded between us and the supplier.
- (2) Our GTC also apply exclusively and without further formal notice to all future orders to the supplier. We do not accept deviating terms and conditions of the supplier, unless we had explicitly agreed in writing to their applicability. Our GTC also apply if we accept the service unconditionally in awareness of the supplier's terms and conditions in opposition to or deviating from our general terms of conditions.
- (3) Our GTC apply only in relation to entrepreneurs, legal entities under public law or public-law special assets within the meaning of Article 310, Paragraph (1) of BGB (Bürgerliches Gesetzbuch [Civil Code]).

**§ 2**

**Order and offer documents**

- (1) If we submit an offer along with our order, the offer may only be accepted within two weeks. Orders placed verbally will take effect only after our written confirmation. If the supplier issues an order confirmation, he shall indicate our order number on it.
- (2) We reserve all the ownership and copyrights for illustrations, drawings and other documents; they may not be made accessible to third parties without explicit written approval. After processing of the order, these documents shall be returned to us without request.

**§ 3**

**Prices and conditions of payment**

- (1) The price specified in our order is binding. It includes, unless otherwise agreed in writing, the delivery "free domicile" as well as the packaging. The supplier is obligated to take back the packaging if we request him to do so.

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- (2) All prices are net prices plus the statutory value added tax. We can only process invoices if they specify the order number indicated in our order in accordance with the requirements; the supplier is responsible for all the consequences resulting from non-compliance with this obligation.
- (3) Unless otherwise agreed in writing, we will pay the amount within 14 days, calculated from the delivery and receipt of the invoice with 2% discount or in the net amount within 30 days from the receipt of the invoice.
- (4) We are entitled to rights of offsetting and retention within the legal extent, and claims against us may be transferred to third parties only with our written consent.

#### **§ 4**

##### **Delivery time**

- (1) The delivery time specified by us is binding, any deadlines will start upon the receipt of the order by the supplier.
- (2) The supplier shall inform us immediately in writing if he is unable to meet the agreed delivery date, whereas our rights arising from a delay of performance remain unaffected by this information obligation.
- (3) If the supplier is in delay with the delivery, he shall pay 0.1% of contractual penalty for each working day but no more than 10% of the order amount. The enforcement of statutory claims for delay of the performance remains unaffected.

#### **§ 5**

##### **Transfer of risk**

- (1) Under purchase agreements, the risk will be transferred to us only upon our receipt of the goods.
- (2) Under service contracts, the risk will be transferred to us after an explicit acceptance in form of an acceptance protocol.

## **§ 6**

### **Properties and quality of the goods**

- (1) The supplier guarantees that his goods comply with the relevant laws, directives and DIN standards. The goods, if required, must bear a CE marking and must be CE compliant.
- (2) The supplier guarantees that the goods conform to the specifications stated in our orders (including possible drawings).
- (3) The supplier shall maintain a quality assurance system, which specifically includes the perpetuation of the common quality standards, regular quality inspections and an outgoing goods control. The supplier shall prepare records about this and provide these to us upon request.

## **§ 7**

### **Supplier's liability for defects**

- (1) We are entitled to the statutory claims for defects to full extent. In particular, we are entitled to demand the removal of defects or the delivery of a new object of service from the supplier at our discretion. We expressly reserve the assertion of the right to damage compensation, also damage compensation in lieu of performance, for every degree of fault in full accordance with the statutory provisions.
- (2) The limitation period for claims of defects is three years, unless longer statutory periods are mandated. It will begin with the transfer of risk.

## **§ 8**

### **Supplier's liability for damages**

- (1) The supplier is liable to us for all damages which are caused by him or his agents, in the full amount and for every degree of fault in accordance with the statutory provisions.
- (2) The risk for transport damages will be borne by the supplier.
- (3) If a third party has a claim against us arising from product liability, the supplier shall indemnify us for claims of the third party (including the costs of a necessary recall action) and shall compensate us for all damages and expenses in case he is responsible for the reason causing liability.

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- (4) The limitation period of our damage compensation claims is determined solely by the legal regulations.

## **§ 9**

### **Industrial property rights**

- (1) The supplier is committed that no rights of the third party are infringed in context of his delivery.
- (2) If the third party has a claim against us for such reason, the supplier is obligated to indemnify us for the claims of the third party upon first written request.
- (3) We are entitled to industrial property rights created in the scope of the contract implementation. Should this exceptionally occur at the supplier due to compelling legal regulations, he shall permit us the royalty-free, non-exclusive and temporally unlimited use.

## **§ 10**

### **Ownership of objects**

- (1) All objects, such as tools, presentation pieces, samples or models, which have been provided to the supplier, shall remain our property. In this respect, the supplier agrees to observe strict confidentiality and to return them immediately if we require it. Passing on these objects to third parties or their use for own purposes (with exception of the service performance for us) is prohibited.
- (2) The same applies for objects, which have been fully or partially manufactured at our expense (e.g. moulds, tools, devices). They become our property without indirect provision of possession at the time when they are manufactured at the supplier's company. Modifications thereto may be made only with our written consent. Within the scope of the existing relationship of property sharing, the supplier is liable in case of any damage and/or loss in accordance with the statutory provisions.

## **§ 11**

### **Software**

- (1) Unless otherwise agreed in individual contracts, the supplier shall grant us temporarily unlimited, royalty-free rights of use of software products and the related documentation. We are authorised to distribution of the software to our customers.

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- (2) For the purposes of data backup we may create duplicates of the software.

## **§ 12**

### **Form of declarations**

- (1) Declarations and notices with legal relevance, which shall be provided to us by the supplier, must be made in writing.
- (2) This also applies to declarations and notices with legal relevance, which shall be provided to third parties by the supplier, if they are related to the contractual relationship between us and the supplier.

## **§ 13**

### **Place of performance, place of jurisdiction, applicable law**

- (1) Place of performance and place of jurisdiction for disputes with merchants, legal entities under public law, or public-law special assets is the place of registration of the respective company of the IWM Group of Companies, which concludes the contract. In addition, the relevant company has the right to sue the supplier also at the place of its head office.
- (2) The laws of the Federal Republic of Germany apply, the applicability of the UN Convention on Contracts for the International Sale of Goods is excluded.
- (3) Should one of the above provisions be or become invalid, the validity of the remaining provisions will remain unaffected by it.

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