

## TMQS General Conditions of Procurement

### 1. Preamble

We conclude contracts with you solely to the following conditions. Your conditions of Sale and Procurement as a whole are not becoming part of the contract, even if we do not expressly take issue with these. This is also true if you are specifically empathizing to deliver solely to your terms and conditions.

### 2. Orders / Contract conclusion

- 2.1 Our orders and agreements are only binding for us if they are provided in written form or, after verbal or telephonic order, are confirmed in writing including the order number.
- 2.2 If we do not receive your written confirmation of our order immediately - latest within 7 days on receipt – we are entitled to withdraw from our order without any cost for us.
- 2.3 We cannot be held responsible for verbal or telephonic confirmations, information, consulting etc., independent if being made prior or after contract closing except for gross negligence on our side. Such verbal explanations are only binding for us if they are confirmed in writing or if we verifiably waive written form.
- 2.4 Our order number has to be mentioned in all correspondence, in invoices and in shipping documents.

### 3. Delivery / Delay

- 3.1 The agreed delivery and service dates are binding. The delivery dates are to be understood as the arrival of your delivery in our premises or at the place of destination given by us. Should the delivery / service (called delivery as total) be delayed we are entitled for compensation of 0.2% for each calendar day of the delay. The maximum compensation is 5% of the value of the agreed delivery. This is also valid in case of our withdrawal from contract.  
We reserve the right to claim such compensation for delay until the time of full payment. Our statutory claims in the event of delay shall remain unaffected.
- 3.2 In addition, and without prejudice to our other rights, we may, after the fruitless expiry of a reasonable grace period set by us, have the services not performed by you carried out by a third party at your expense. Should this require documents being in your possession you have to hand these out to us immediately.

Insofar as industrial property rights impede delivery by the third party, you are obliged to procure a corresponding release from these rights without delay.

The claim for contractual penalty already accrued up to the withdrawal or up to the placing of the order with the third party shall in any case be fulfilled by you.

- 3.3 To each delivery a delivery note has to be added, detailing our order number and order item with our part descriptions and numbers.
- 3.4 The results of wrong, incomplete or late arriving shipping documents shall be borne by you.
- 3.5 Early and partial deliveries are only allowed given our previous agreement.
- 3.6 Deliveries shall be made free works or free delivery address, including proper packaging.
- 3.7 According to the packaging regulations, you are legally obliged to take back the packaging of the delivery item. The costs for the return transport and the recycling / disposal of packaging that does not comply with the legal requirements shall be borne by you in any case.

#### **4. Obligation to inform**

You will immediately inform us about delivery delays in writing. The message has no influence on our claims against you.

#### **5. Receipt of goods Exemption**

Insofar as we are prevented from accepting the delivery due to industrial disputes or force majeure, we shall be released from the obligation to accept the delivery in good time for this period.

#### **6. Payment Terms**

- 6.1 Payment shall be made in means of payment of our choice.
- 6.2 The Payment period shall commence upon delivery, at the earliest upon receipt of a proper invoice in duplicate, but not before the agreed delivery date.

If a payment period has not been agreed, payment shall be made within 14 calendar days with a 3% discount or 60 days net

- 6.3 We shall not be in default of payment without a reminder. If we are in default of payment, you have the right to charge interest on this at 2% above the base interest rate.
- 6.4 The exercise of the retention of title is only applicable with prior withdrawal from the contract.

## **7. Assignment**

- 7.1 Claims may only be assigned with our written consent. If you, as a processor, have acquired material which you supply to us under extended reservation of title, our consent to this advance assignment is hereby deemed to have been given

## **8. Warranty**

- 8.1 You warrant that all deliveries comply with the contract, the regulations of the professional association responsible for us, the law on technical work equipment (Equipment Safety Act), the EC Work Equipment Use Directive, in each case in the latest version, all other regulations and directives issued by the EU or by the legislator and supervisory authorities with regard to execution, accident prevention and environmental protection, e.g. on the labelling of hazardous substances and processes, as well as the VDE regulations in the form applicable at the time of delivery and the state of the art.

- 8.2 The warranty period is 24 months, starting with the commissioning or technical final inspection of the delivery by us.

For deliveries which are not subject to commissioning or technical final inspection, the warranty period is 24 months, starting with the delivery.

- 8.3 For deliveries which we resell, the above-mentioned warranty period shall commence with the commissioning or final technical acceptance by our customer.

For deliveries for which commissioning or final technical acceptance is not provided for, the above-mentioned warranty period shall commence upon delivery to our customer.

However, the warranty period shall end no later than 36 months after delivery to the shipping address requested by us.

- 8.4 If the delivery is defective, we are entitled to assert the statutory warranty claims within the warranty period at our discretion.

- 8.5 If rectifications are necessary to an extent that is unreasonable for us, we shall again be entitled to either the statutory warranty claims or a claim for a replacement delivery free of charge.

- 8.6 If you do not comply with our request to remedy a defect within a reasonable period set by us, we may carry out the necessary measures ourselves or have them carried out by third parties at your expense. If the setting of a deadline is dispensable, we shall also be entitled to this right without setting a deadline.

Without prior agreement, measures to remedy minor defects or to avert disproportionately large damage or to prevent risks to operational safety at our premises or those of our customers may be carried out by us or third parties commissioned by us at your expense. We will inform you immediately about the reason, type and scope of these measures.

Your warranty obligation is not affected by this.

- 8.7 The expiry of the warranty period shall be suspended during the time between notification of the defect and its rectification. For replaced or repaired parts, the warranty period shall begin again with the production of the contractual, defect-free usability of the delivery.
- 8.8 By accepting and using the delivery or by endorsement of your drawings or other documents we do not waive our designated claims.
- 8.9 All deliveries and services to be provided by you on the basis of the warranty (incl. outward and return transport, travel and labour costs) are free of charge for us.
- 8.10 In the absence of any agreement to the contrary, the delivery shall be deemed to have been inspected without delay if the inspection takes place within 10 days of delivery.

We satisfy our obligation to notify defects without delay if we notify you of a defect 14 days after discovering it.

## **9. Product liability**

- 9.1 If a claim is made against us on the basis of a breach of official safety regulations or on the basis of domestic or foreign product liability law due to a defect in our product which is attributable to your delivery, we shall be entitled to demand compensation from you for this damage insofar as it is caused by the products supplied by you.
- 9.2 You will – as far as possible – mark all delivery items in such way that they are permanently recognizable as your products. Exceptions are regulated by individual contract.
- 9.3 You shall carry out quality assurance which is suitable in terms of type and scope and which corresponds to the latest state of the art and shall provide us with evidence of this upon request.

If it is deemed necessary by us, you will sign a corresponding quality agreement with us.

- 9.4 You will insure yourself against all risks arising from product liability in an appropriate amount and submit the insurance policy to us for inspection upon request.

## **10. Third party property rights**

- 10.1 You guarantee that the delivery is free from third party property rights and undertake to indemnify us against all damages and costs incurred by us as a result of non-compliance with this guarantee promise or as a result of a prohibition of use of the delivery by third parties.
- 10.2 If, however, property rights of third parties are infringed when using the delivery, we are also entitled to acquire a license from the rightful owner of the property right at your expense.
- 10.3 Claims for defects in law shall become time-barred 10 years after delivery.

## **11. Technical documents**

- 11.1 All drawings and other technical documents entrusted you for the execution of orders remain our property and shall be handed back to us immediately after completion of the order without us specifically requesting.
- 11.2 The documents may only be used to the extent approved by us and may not themselves be used commercially, reproduced or made accessible to third parties without prior written consent.

## **12. Confidentiality**

- 12.1 Our orders and all related commercial and technical details are to be treated by you as business secrets.

You shall conclude a corresponding non-disclosure agreement with us insofar as we deem this necessary.

## **13. Place of jurisdiction and applicable law**

- 13.1 Place of jurisdiction is Schwarzenbek. However, we are entitled to assert our claims at your general place of jurisdiction.
- 13.2 The law of the Federal Republic of Germany shall apply to the mutual legal relationships to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).