

General terms and conditions of purchase of SHE Solution Bergmann GmbH & Co. KG

I. General

1. The following terms and conditions of purchase shall apply exclusively to all orders and delivery call-offs placed by us. In the case of permanent business relationships, these terms and conditions shall also apply to future business transactions in which no express reference is made to them, provided that they have been received by the supplier in the case of a previous order confirmed by us. Deviating provisions of the supplier which we do not expressly acknowledge in writing are not binding for us, even if we do not expressly contradict them. Also from the unconditional acceptance of the delivery or acceptance of the service or payment of the remuneration follows no recognition of deviating or supplementary conditions of the supplier.

2. Should individual provisions of these Terms and Conditions of Purchase be invalid or excluded by special agreement, this shall not affect the validity of the remaining provisions.

3. Our General Terms and Conditions of Purchase shall only apply to companies, legal entities under public law or special funds under public law within the meaning of § 310 (1) sentence 1 BGB (German Civil Code).

II. Order and order confirmation

4. The elaboration and preparation of offers, estimates etc. is free of charge for us and does not oblige us to place an order. The supplier must comply with our inquiry in his offer. If the supplier has a technically or economically more favourable solution, he offers us this additional solution.

5. Our orders are only binding if they have been submitted in written form. Our verbal orders are only valid if they have been confirmed by us in writing.

6. Orders, call-offs and changes to orders must be confirmed in writing by the supplier without delay, at the latest within 2 weeks of receipt of the order, call-off or modification, including the delivery date specified by us (confirmation of order). If we do not receive an order confirmation within the aforementioned period, we reserve the right to revoke the order placement or to withdraw from an already concluded contract.

7. If the order confirmation deviates from the order, we shall only be bound by this if we have agreed to the deviation in writing.

III. Delivery time

8. For the timeliness of deliveries it depends on the receipt at the place of receipt indicated by us. Acceptance of deliveries with installation or assembly as well as services shall be decisive for the timeliness of deliveries.

9. As soon as the supplier recognises that he is able to fulfil all or part of his contractual obligations on time, he must inform us immediately in writing, stating the reasons and the expected duration of the delay. This notification does not remove the delay. Also, our rights due to delayed, incomplete or faulty delivery or service are not affected by the advertisement.

IV. Transfer of Risk and Shipping

10. In the case of deliveries with installation or assembly and in the case of services, the risk shall pass at the time of acceptance, in the case of deliveries without installation or assembly, at the time of receipt at the place of receipt specified by us.

11. Unless otherwise agreed, the costs of shipping and packaging shall be borne by the supplier. In the case of prices quoted ex works or ex supplier's sales warehouse, the goods shall be shipped at the lowest possible cost, unless we have specified a specific mode of transport. Additional costs due to non-compliance with shipping regulations shall be borne by the supplier. In case of pricing free recipient, we can also determine the mode of transport. Additional costs for any accelerated transport necessary to meet a delivery date shall be borne by the supplier.

12. Each delivery must be accompanied by a packing slip or delivery note stating the contents and the complete order reference number. The same information must be provided immediately upon dispatch.

14. Only the weight or the number of items determined at the time of receipt of goods by us or the agreed receiving point shall be decisive for pricing.

15. The deliveries are insured by us against transport. The supplier must prohibit the forwarding agents from carrying out SMS/RMS. Any SVS/RVS bonuses shall be paid by the supplier.

V. Bills

16. The purchase order codes and the numbers of the individual items must be specified in invoices. As long as this information is missing, the invoices are not payable. Invoice copies shall be marked as duplicates.

VI. Payments

17. The price stated in our order is binding. The agreed prices are to be quoted in Euro plus the currently valid value added tax.

18. Unless otherwise agreed, payments shall be made within 14 days with a deduction of 3% discount or within 30 days without deduction.

19. The payment period shall commence as soon as the delivery or service has been completed and the properly issued invoice has been received. Insofar as the supplier is required to provide material certificates, test reports, quality documents or other documents, the completeness of the delivery and performance shall also presuppose receipt of these documents. Discount

deduction is also permissible if we offset or retain reasonable payments due to defects; in the latter case, the payment period begins after the defects have been completely remedied.

20. Payment of the purchase price does not constitute a waiver of the assertion of claims for defects or other claims resulting from the delivery or service.

VII. Liability for defects

19. We shall inspect the goods received by us after passing of risk within a reasonable period of time within the framework of an orderly course of business, usually in the form of random checks, for any obvious material defects. Our notice of defects shall be deemed to have been given in good time, provided that, in the case of obvious defects, it is received by the supplier within a period of 10 working days, calculated from the date of transfer of risk, or, in the case of hidden defects, within a period of 10 working days from their discovery.

20. Complaints of defects entitle us to postpone payment of the invoice until complete clarification has been made and entitle us to deduct the discount after this period of time in accordance with the provisions of Clause 3.2.1 of the German Commercial Code. VI. 2nd and 3rd.

21. In the case of defects, wrong deliveries or deviations in quantity, we shall be entitled to the statutory rights without restriction, provided that the warranty period does not commence until the passing of risk and that, in the case of deliveries to places where we execute orders outside our works or workshops, the warranty period does not commence until acceptance by our customer. In the latter case, the warranty period ends no later than 3 years after the passing of risk. This shall also apply to deliveries in which the inspection has been limited to random samples; insofar as defects were found in these random samples, we shall be entitled to the statutory rights with regard to the entire delivery without restriction.

22. Subsequent performance shall be deemed to have failed after the first unsuccessful attempt, unless the nature of the item or defect or other circumstances indicate otherwise.

23. Insofar as defective goods have been transported by us to another place in the course of a proper course of business prior to their discovery, the supplier shall also bear the costs of transport, travel, labour and material costs in the event of subsequent performance or the rescission of the contract due to withdrawal, which additionally arise as a result of the goods having been moved to another place.

24. The supplier shall bear the costs and risk of returning defective goods.

VIII. Product liability

25. Insofar as the supplier is responsible for a product damage or product defect or defect, he is obliged to indemnify us from claims for damages by third parties on first demand, insofar as he is responsible for the cause in his area of control and organisation. Within the scope of this obligation, the supplier shall further be obliged to reimburse us for any expenses incurred as a result of or in connection with a recall campaign carried out by us. We will inform the supplier about the content and scope of the recall campaign to be carried out - as far as possible and reasonable - and give him the opportunity to comment. Further legal claims remain unaffected.

26. The supplier shall be responsible for the documentation of the production, composition, etc. of the delivered goods. He is also obliged to support us in the formulation of application notes, instructions for emergencies etc., in particular with regard to the end customer.

27. The supplier undertakes to maintain a product liability insurance policy with a sum insured of € 20 million per personal injury/property damage - lump sum - and to prove the conclusion of the contract and its continuation on request. The conclusion of liability insurance does not limit the extent of the supplier's liability. If proof of the conclusion or continued existence of the liability insurance is not provided within a reasonable period of time, we are entitled to terminate the contractual relationship and demand compensation for damages instead of performance.

IX. Third-party industrial property rights

28. The supplier warrants that no rights of third parties will be infringed in connection with his delivery.

29. If claims are asserted against us by a third party for this reason, the supplier is obliged to indemnify us from these claims on first demand. This indemnification obligation extends to all expenses necessarily incurred by us as a result of or in connection with the claim by a third party.

30. We are not entitled to make any agreements with the third party - without the supplier's consent -, in particular to make a settlement. Should the third party take legal action against us, we shall only conduct the legal dispute at the supplier's instruction and expense. The supplier's obligation to indemnify the supplier in accordance with § 6.1. numeral IX. 2. also refers to the costs of litigation.

X. Passing on orders to third parties

31. The passing on of orders to third parties is not permitted without our written consent and entitles us to withdraw from the contract in whole or in part and to demand compensation for damages instead of performance.

XI. Material supplies, tools, moulds, patterns, samples, secrecy

32. Insofar as we provide parts/products/active substances to the supplier (material provision), we reserve the right of ownership. The processing and/or transformation by the supplier is always carried out on our behalf without any obligations arising for us from this. If our goods subject to retention of title are processed with other items not belonging to us, we shall become co-owners of the item thus created, which serves as goods subject to retention of title as security for our claims, in accordance with the ratio of the net invoice value of our goods to the net invoice value of the processed or processed goods. The same shall apply in the event of connection or blending with other goods not belonging to us. The supplier shall store the goods subject to retention of title for us free of charge with the care of a prudent businessman.

33. Material provided shall be stored, drawn and managed free of charge separately from other goods. Their use is only permitted for our orders.

34. A written material invoice must be sent to us immediately after the end of production for material provided. The supplier shall be liable for the damage or loss of material provided, taking into account the agreed or customary shrinkage rate, even without any fault of his own. This also applies to the invoiced transfer of order-related materials.

35. If a reservation of title is inadmissible according to the law in whose scope of application the goods are located, we shall be entitled to the security rights permitted there. The supplier is also obliged to inform us of the measures we must take to protect these rights. The supplier will support us in implementing these measures. If third parties assert rights to our goods, we must be informed immediately in writing. We are entitled to carry out any necessary registrations required by foreign national law on the basis of our retention of title.

36. Tools, moulds, patterns, samples, models, profiles, drawings, standard sheets, master copies and gauges provided by us may not be passed on to third parties or used for purposes other than those stipulated in the contract without our written consent. They must be protected against unauthorized inspection or use. Furthermore, the supplier is obliged to insure the above-mentioned items at their replacement value at his own expense. Subject to further rights, we shall be entitled to demand the return of the goods if the supplier violates one of the aforementioned obligations.

37. The supplier is obliged to keep all illustrations, drawings, calculations, forms, models, profiles, standard sheets, master copies and gauges as well as all other information obtained from us strictly confidential. They may only be disclosed to third parties with our express consent. The obligation to maintain secrecy shall also apply after the expiry of the contract. The aforementioned items remain our property. At our request, which is permissible at any time, they shall be returned to us at the supplier's expense.

XII. Assignment, transfer, set-off, right of retention.

38. The supplier may only assign his claims against us with our prior written consent; this also applies to factoring.

39. For assignments made on the basis of an extended retention of title agreed by the supplier with his supplier, our consent shall be deemed to have been given from the outset with the proviso that we shall also be permitted to offset any counterclaims acquired after notification of the assignment. Otherwise, § 354 a HGB (German Commercial Code) remains unaffected.

40. The assertion of rights of retention and the declaration of set-off by the supplier are excluded, unless the counterclaim is undisputed or has been legally established.

XIII. Place of performance, place of jurisdiction, applicable law

41. Place of performance is Enger / Westfalia / Germany.

42. The place of jurisdiction shall be Herford / Westfalia / Germany or the registered office of the supplier at our discretion.

43. The legal relationship between us and the supplier shall be governed exclusively by the law of the Federal Republic of Germany. The INCOTERMS shall apply in the currently valid version unless they contradict these provisions or written agreements.

44. We store our suppliers' data within the framework of our mutual business relationship in accordance with. Federal Data Protection Act.

SHE Solution
Enger, Germany, 01.01.2017