

## Technik die Freude macht.

**Hohenloher Spezial-Maschinenbau GmbH** Im Greut 10 D-74635 Neu-Kupfer

Tel. +49 (0) 7944 9191-0 Fax +49 (0) 7944 9191-77 info@hsm-forest.com www.hsm-forest.com

HSM branch office Wolfegg

Grimmenstein 7 D-88364 Wolfegg Tel. +49 (0) 7527 9608-0 Fax +49 (0) 7527 9608-222

## Terms and Conditions of Purchase

## Conditions for the Placing of Orders of all Kinds

(Hereinafter Referred to as "General Conditions of Purchase")

### 1. General authority of our General Conditions of Purchase / no limitation of further rights and claims

- 1.1 Our General Conditions of Purchase are the exclusive basis for all our purchases and the utilization of deliveries and services of any kind made by us (including, but not limited to public service contracts and factory orders), provided that our business partner is a contractor in the sense of \$ 14 German Civil Code (BGB).
- 1.2 Our General Conditions of Purchase shall prevail over the general terms and conditions of our business partners. This priority shall also apply with regard to conditions of our business partners who claim priority for themselves. Our General Conditions of Purchase shall even apply in case we accept the delivery of our business partner despite our being fully aware of the fact that our business partner's conditions are contrary to or deviating from our General Conditions of Purchase.
- 1.3 In so far as the general conditions of our business partners will nonetheless apply, such parts of the general conditions not included in ours and deviating from legal provisions to our disadvantage, shall be deemed to be waived and not applicable. We herewith reject all third-party deviations from legal provisions provided that such deviations are to our disadvantage.
- 1.4 Our General Conditions of Purchase shall neither exclude nor limit our further rights (e.g. under the BGB or the German Commercial Code (HGB)).

## 2. Written form / Written confirmations of deviating order confirmations / Rights to documents, tools and models

- 2.1 Each party to the contract is entitled to a written confirmation of the complete content of the contract.
- 2.2 In case the order confirmation of our business partner differs from our purchase order, our silence regarding the deviating order confirmation shall not be deemed as approval to the deviating content of the order confirmation.
- 2.3 Drawings, technical bulletins, patterns, tools, models, products and semi-finished products provided by us to our business partner in connection with the initiation or the execution of the business transaction will remain our property; they can be reclaimed by us at any time, and without our consent, the business partner will not be entitled to make them accessible to third parties (and its customers or suppliers) or to make such third parties aware of them.
- 2.4 The business partner will keep the items mentioned in 2.3 (and comparable items) safe for us at no cost for us.

# 3. Delivery dates / Liability for delay in delivery / No acceptance prior to the delivery date / Partial deliveries / Prevention from acceptance due to Force Majeure / No further title retention for business partner

- 3.1 The delivery periods and delivery dates agreed upon are strictly binding to our business partner. In case a non-delivery, delays in delivery or delivery of defective goods seem to be possible or even probable or certain, our business partner is obliged to immediately inform us and to provide us information on kind and scope of the delivery problems.
- 3.2 Our business partner's liability for delay in delivery shall by no means be limited by his deviating general terms and conditions.
- 3.3 We are not obliged to accept early delivery.
- 3.4 We are not obliged to accept partial deliveries.
- 3.5 We may require partial deliveries, provided this is not unacceptable for our business partner.
- 3.6 War, civil war, barriers to export for the further exploitation of the services ordered, lawful strikes, lawful lockouts, disruption in or limitation of operation through no fault of ours shall be considered as Force Majeure, which entitles us to delayed acceptance of the services ordered; in this case, the purchase obligation will exist only after the removal of the impediment.
- 3.7 The procurement risk shall be borne by our business partner. Conditions as defined by sub-item 3.6 will not affect the contractual obligation to deliver. A possible self-supply reservation of our business partner will only apply if accepted by us in writing and agreed upon in individual contracts.
- 3.8 Extended retention of title of our business partner will not apply.



## Technik die Freude macht.

#### 4. Delivery / Specific test report / Packaging

- 4.1 Cost of delivery to the point of destination specified by us will be the responsibility of our business partner. In case freight costs are born by us (due to individual agreement), the business partner will have to choose the transport means determined by us; otherwise the kind of transport or delivery which is the most convenient for us.
- 4.2 The risk of loss or damage to the delivered goods shall pass to us once the item has been accepted by our place of receipt.
- 4.3 Unless otherwise agreed, the delivery shall include a delivery note as well as an acceptance test certificate 3.1 acc. to EN 10204 or any equivalent internationally accepted test certificate which contains the characteristics agreed with the supplier. First deliveries, especially those having a sample status, are to be accompanied by a full set of first sample documentation, including all documents acc. to PPAP.
- 4.4 Packaging costs will be borne by our business partner. Insofar as we bear the packaging costs (due to individual agreements), our business partner shall only charge the cost price. In case of return of packaging materials, our business partner shall bear the costs incurred for dispatch and transport.

#### 5. Prices

- 5.1 The agreed price is a fixed price. Even in case of increasing manufacturing costs (increased wages, material costs, other increases in production costs) incurred by the business partner, the business partner may not require an increase in the agreed price.
- 5.2 Payment is due after receipt of goods and invoice within 14 days less 3% cash discount or within 60 days strictly net.

#### 6. Payment / Prohibition of assignment

- 6.1 If partial deliveries or deliveries prior to the agreed delivery date are accepted, the payment term will only start with the delivery date agreed upon.
- 6.2 Claims made against us may not be assigned without our written consent; the written form requirement may only be modified in writing.

# 7. Scope of incoming goods inspection / Notification of defects / Unlimited warranty / Responsibility for manufacturer's liability / Third-party trade mark rights / Secrecy

- 7.1 We will check the delivered goods against the accompanying document only for identity and amount as well as for visible damage in transit. As soon as we have ascertained the defects in accordance with the facts of proper business procedure, the supplier will be informed within a reasonable time of not less than 5 working days after such defects have been detected. In this respect, the supplier will waive the claim of late notification of defects (§377 HGB).
- 7.2 Our business partner grants unlimited warranty according to the statutory provisions.
- 7.3 Our business partner will hold us harmless against any claims regarding defects of goods imputable to the business partner and the resulting product liability claims of third parties insofar as claims could be raised directly against him. Further claims in our favor will not be affected by this.
- 7.4 Our business partner guarantees that the use of his deliveries and services and their exploitation by us, will infringe no patents or other third-party intellectual property rights. He agrees to indemnify us and our customers from all third-party claims arising from the infringement of their property rights to the extent such infringement of property rights falls within the supplier's sphere of responsibility.
- 7.5 Our business partner is obliged to treat any information with regard to us, our company, our employees, our products and the products supplied to us with utmost secrecy. This applies, in particular, to appearance and workmanship, composition and properties of our products as well as to content and scope of our purchase orders and to any delivery to us. Generally available and generally known facts are excluded from this obligation.

### 8. Other Provisions

- 8.1 Should any provision or partial provision of these General Conditions of Purchase be or become invalid, the effectiveness of the remaining provisions or partial provisions will remain unaffected.
- 8.2 The place of fulfillment for goods or services ordered by us shall be our registered office in 74635 Neu-Kupfer / Baden- Württemberg.
- 8.3 It is agreed that the legal relations between ourselves and our business partner shall be governed exclusively by German law (with exclusion of the UN Convention on Contracts for the International Sale of Goods (CISG); the agreement on German law (with the exclusion of CISG) also applies to the area of breaches of duty that do not represent a deficiency of the delivery item or the service itself.
- 8.4 The exclusive place of jurisdiction in connection with our contractual relationship with our business partners will be the German court having local jurisdiction for the registered office of our company. However, we will also be entitled to take legal action against the business partner at any other legal place of jurisdiction.