



# General Terms and Conditions of Purchase of Rhein-Nadel Automation GmbH

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## I. Scope, Form

1. The following General Terms and Conditions of Purchase (GTCP) apply to all business relationships of Rhein-Nadel Automation GmbH as the Customer and its business partners and suppliers ("Seller"). The GTCP shall only apply if the Seller is an entrepreneur (§ 14 BGB), a legal entity under public law or a special fund under public law.
2. The GTCP apply in particular to contracts for the sale and/or delivery of movable goods ("Goods"), irrespective of whether the Seller manufactures the Goods himself or purchases them from suppliers (§§ 433, 651 BGB). Unless otherwise agreed, the GTCP in the version valid at the time of the order or in any case in the version last notified to the Seller in text form shall also apply as a framework agreement for similar future contracts without the Customer having to refer to them again in each individual case.
3. These GTCP apply exclusively. Any deviating, conflicting or supplementary general terms and conditions of the Seller shall only become part of the contract if and to the extent that the Customer has expressly consented to their validity in writing. This requirement of consent shall apply in any case, for example even if the Customer accepts the Seller's deliveries without reservation in full knowledge of the Seller's General Terms and Conditions.
4. Individual agreements made in individual cases with the Seller (including collateral agreements, supplements and amendments) shall in any case take precedence over these GTCP. Subject to proof to the contrary, the content of such agreements shall be governed by a written or text-based contract or the written or text-based confirmation of the Customer.
5. Legally relevant declarations and notifications of the Seller with regard to the contract (e.g. setting of a deadline, reminder, withdrawal) must be made in writing or text form (e.g. letter, e-mail, fax). Legal formal requirements and further evidence, in particular in cases of doubt as to the legitimacy of the declarant, remain unaffected.
6. References to the validity of statutory provisions have only clarifying meaning. Even without such clarification, the statutory provisions shall therefore apply unless they are directly amended or expressly excluded in these GTCP.

## II. Conclusion of the Contract

1. The order shall be deemed binding at the earliest upon submission or confirmation in writing or in text form. The Seller must point out obvious errors (e.g. spelling and calculation errors) and incompleteness of the order including the order documents for the purpose of correction or completion before acceptance; otherwise the contract shall be deemed not to have been concluded in this respect.
2. The Seller is obliged to confirm the order within a period of 5 days in writing or in text form or in particular by dispatching the goods unconditionally (acceptance). A delayed acceptance is considered a new offer and requires acceptance by the Customer.

## III. Delivery Time and Delay in Delivery

1. The delivery time stated in the order is binding. If the delivery time is not stated in the order and has not been agreed otherwise, it shall be 3 weeks from the conclusion of the contract. The Seller shall be obliged to inform the Customer immediately in writing if it is unlikely that he will be able to meet the agreed delivery times - for whatever reason.
2. If the Seller does not provide his service or does not do so within the agreed delivery period or if he is in default, the rights of the Customer - in particular to rescission and damages - shall be determined in accordance with the statutory provisions. The provisions in para. 3 shall remain unaffected.
3. If the Seller is in default, the Customer may - in addition to further statutory claims - demand lump-sum compensation for his damage caused by default amounting to 0.5% of the net price per completed calendar week, but not more than a total of 5% of the net price of the goods delivered late. The Customer reserves the right to prove that higher damages have been incurred. The Seller reserves the right to prove that no damage at all or only considerably less damage has been incurred.

## IV. Performance, Delivery, Transfer of Risk, Default of Acceptance

1. The Seller shall not be entitled to have the performance owed by the Customer performed by third parties (e.g. subcontractors) without the prior written or text-based consent of the Customer. The Seller bears the procurement risk for his services, unless otherwise agreed in individual cases (e.g. limitation to stock).
2. The delivery takes place within Germany "free domicile" to the place indicated in the order. If the place of destination is not specified and nothing to the contrary has been agreed, delivery shall be made to the Customer's place of business in Aachen. The respective place of destination shall also be the place of performance for the delivery and any subsequent performance (obligation to deliver).
3. The delivery must be accompanied by a delivery note stating the date (issue and dispatch), the contents of the delivery (article number and quantity) and the order identification (date and number). If the delivery note is missing or incomplete, acceptance of the goods is not possible. The Customer shall not be responsible for any delays in processing and payment resulting therefrom.
4. The risk of accidental loss and accidental deterioration of the goods shall pass to the Customer upon handover at the place of performance. If acceptance has been agreed, this shall be decisive for the transfer of risk. In all other respects, the statutory provisions of the law on contracts for work and services shall also apply mutatis mutandis in the event of acceptance. Delivery or acceptance shall be deemed to have taken place if the Customer is in default of acceptance.
5. The statutory provisions shall apply to the occurrence of default of acceptance on the part of the Customer. However, the Seller must also expressly offer his services to the Customer if a specific or determinable calendar period has been agreed for the Customer's action or cooperation (e.g. provision of material). If the Customer is in default of acceptance, the Seller may demand reimbursement of his additional expenses in accordance with the statutory provisions (§ 304 BGB). If the contract relates to an unrepresentable item to be manufactured by the Seller (one-off production), the Seller shall only be entitled to further rights if the Customer undertakes to cooperate and is responsible for the failure to cooperate.

## V. Prices and Terms of Payment

1. The price stated in the order is binding. All prices are inclusive of statutory value-added tax, unless this is shown separately.
2. Unless otherwise agreed in individual cases, the price shall include all services and ancillary services of the Seller (e.g. assembly, installation) as well as all ancillary costs (e.g. proper packaging, transport costs including any transport and liability insurance).
3. The agreed price is due for payment within 30 calendar days of complete delivery and performance (including any agreed acceptance) and receipt of a proper invoice.
4. The invoice must contain the order identification (date and number) as well as details of the country of origin and tariff number for each order item. If these details are missing, payment is not possible. The Customer shall not be responsible for any delays resulting therefrom.
5. If the Customer makes payment within 14 calendar days, the Seller shall grant him a discount of 3% on the net amount of the invoice. In the case of bank transfers, payment shall be deemed to have been made on time if the transfer order is received by the bank before expiry of the payment deadline; the Customer shall not be responsible for delays caused by the banks involved in the payment process.
6. The Customer does not owe any interest on the due date. The statutory provisions shall apply to default in payment.
7. The Customer is entitled to set-off and retention rights as well as the defence of non-performance of the contract to the extent permitted by law. In particular, the Customer is entitled to withhold payments due as long as he is still entitled to claims against the Seller from incomplete or defective services.
8. The Seller has a right of set-off or retention only on account of legally established or undisputed counterclaims.

## VI. Confidentiality and retention of title

1. The Customer retains title and copyright to illustrations, plans, drawings, calculations, execution instructions, product descriptions and other documents. Such documents are to be used exclusively for the contractual performance and returned to the Customer after completion of the contract. The documents must be kept secret from third parties, even after termination of the contract. The obligation to maintain confidentiality shall not expire until and to the extent that the knowledge contained in the documents provided has become generally known.



2. The above provision shall apply mutatis mutandis to substances and materials (e.g. software, finished and semi-finished products) as well as to tools, templates, samples and other items, which the Customer provides to the Seller for manufacture. Such objects shall - as long as they are not processed - be kept separately at the Seller's expense and insured to an appropriate extent against destruction and loss.
3. Any processing, mixing or combination (further processing) of items provided by the Seller shall be carried out on behalf of the Customer. The same shall apply to further processing of the delivered goods by the Customer, so that the Customer shall be deemed to be the manufacturer and shall acquire ownership of the product at the latest upon further processing in accordance with the statutory provisions.
4. The transfer of ownership of the goods to the Customer must take place unconditionally and regardless of the payment of the price. If, however, the Customer accepts an offer by the Seller to transfer ownership conditional on the payment of the purchase price in an individual case, the Seller's retention of title shall expire at the latest upon payment of the purchase price for the delivered goods. In the ordinary course of business, the Customer shall also remain authorised to resell the goods prior to payment of the purchase price and to assign the resulting claim in advance (alternatively, the simple reservation of title extended to the resale shall apply). This excludes all other forms of retention of title, in particular the extended retention of title, the forwarded retention of title and the retention of title extended to further processing.

#### **VII. Defective Delivery**

1. The statutory provisions shall apply to the rights of the Customer in the event of material defects and defects of title of the goods (including incorrect and short delivery as well as improper assembly, defective assembly, defective operating instructions) and in the event of other breaches of duty by the Seller, unless otherwise provided below.
2. In accordance with the statutory provisions, the Seller shall be liable in particular for ensuring that the goods have the agreed quality upon transfer of risk to the Customer. Any product descriptions which - in particular by designation or reference in the order - are the subject matter of the respective contract or which have been included in the contract in the same way as these GTCP shall in any case be deemed to be agreements on quality. It makes no difference whether the product description comes from the Customer, the Seller or the manufacturer.
3. Contrary to § 442 Para. 1 S. 2 BGB (German Civil Code), the Customer is also entitled to unrestricted warranty claims if the defect remained unknown to him at the time of conclusion of the contract due to gross negligence.
4. The statutory provisions (§§ 377, 381 HGB) shall apply to the commercial obligation to inspect and give notice of defects (§§ 377, 381 HGB) subject to the following proviso: The obligation to inspect and give notice of defects on the part of the Customer shall be limited to defects which are recognisable to the Customer during the incoming goods inspection by external inspection (visual inspection) of the goods including the delivery documents (obvious defects). If acceptance has been agreed, there shall be no obligation to inspect. In the case of defects which are not recognisable to the Customer by a visual inspection during the incoming goods inspection (concealed defects), there shall be no obligation to give notice of defects even if these defects are discovered later. The Customer's complaint (notice of defects) shall in any case be deemed immediate and timely if it is sent within 5 working days of delivery.
5. Cure shall also include the removal of the defective goods and reinstallation if the goods have been installed in another item or attached to another item in accordance with their type and intended use. The Customer's statutory claim to compensation for corresponding expenses shall remain unaffected.
6. Notwithstanding the Customer's statutory rights and the provisions in paragraph 5, the following shall apply: If the Seller does not fulfil its obligation to cure - at the choice of the Customer by remedying the defect (subsequent improvement) or by delivering a defect-free item (replacement delivery) - within a reasonable period set by the Customer, the Customer may remedy the defect itself and demand reimbursement from the Seller of the expenses required for this or an appropriate advance payment. If cure by the Seller has failed or is unreasonable for the Customer (e.g. due to particular urgency, endangerment of operational safety or imminent occurrence of disproportionate damage), no deadline shall be set; the Customer shall inform the Seller of such circumstances without delay, if possible in advance.
7. Furthermore, in the event of a material defect or defect of title, the Customer shall be entitled to reduce the purchase price or withdraw from the contract in accordance with the statutory provisions. In addition, the Customer shall be entitled to claim damages and reimbursement of expenses in accordance with the statutory provisions.

#### **VIII. Supplier Recourse**

1. In addition to claims based on defects, the Customer shall be entitled without restriction to the legally determined recourse claims of the Customer within a supply chain (supplier recourse pursuant to §§ 445a, 445b, 478 BGB). In particular, the Customer shall be entitled to demand from the Seller exactly the type of cure (remedying of defects or replacement delivery) which he owes to his customer in the individual case. His legal right to choose (§ 439 Abs. 1 BGB) is not restricted by this.
2. Before the Customer acknowledges or fulfils a claim for defects asserted by his customer (including reimbursement of expenses pursuant to §§ 445a para. 1, 439 para. 2 and 3 BGB), he shall notify the Seller and request a written statement, briefly stating the facts of the case. If a substantiated statement is not made within a reasonable period and no amicable solution is reached, the claim for defects actually granted by the Customer shall be deemed to be owed to his customer. In this case, the Seller shall be responsible for providing proof to the contrary.
3. The Customer's claims arising from supplier recourse shall also apply if the defective goods have been further processed by the Customer or another entrepreneur, e.g. by installation in another product.

#### **IX. Manufacturer's Liability**

1. If the Seller is responsible for product damage, he shall indemnify the Customer against claims by third parties to the extent that the cause lies within his sphere of control and organisation and he himself is liable in the external relationship.
2. Within the scope of his obligation to indemnify, the Seller shall reimburse expenses pursuant to §§ 683, 670 BGB (German Civil Code) which arise from or in connection with claims asserted against third parties, including recall actions carried out by the Customer. The Customer shall inform the Seller - as far as possible and reasonable - of the content and scope of recall measures and give the Seller the opportunity to comment. Further legal claims remain unaffected.
3. The Seller shall take out and maintain product liability insurance with a lump sum cover of at least EUR 2.5 million per personal injury/property damage.

#### **X. Limitation Period**

1. The mutual claims of the contracting parties shall become time-barred in accordance with the statutory provisions, insofar as nothing to the contrary is stipulated below.
2. Claims arising from defects of title shall not become time-barred under any circumstances as long as the third party is still able to assert the right - in particular in the absence of a limitation period - against the Customer.
3. The limitation periods of the sales law apply - to the extent permitted by law - to all contractual claims for defects. Insofar as the Customer is also entitled to non-contractual claims for damages due to a defect, the regular statutory limitation period (§§ 195, 199 BGB) shall apply unless the application of the limitation periods of the law on sales in individual cases leads to a longer limitation period.

#### **XI. Applicable Law and Place of Jurisdiction**

1. The law of the Federal Republic of Germany shall apply to these GTCP and the contractual relationship between the Customer and the Seller under exclusion of international uniform law, in particular the UN Convention on Contracts for the International Sale of Goods.
2. If the Seller is a merchant within the meaning of the German Commercial Code, a legal entity under public law or a special fund under public law, the exclusive - also international - place of jurisdiction for all disputes arising from the contractual relationship shall be the place of business of the Customer in Aachen. The same applies if the Seller is an entrepreneur within the meaning of § 14 BGB (German Civil Code). In all cases, however, the Customer shall also be entitled to bring an action at the place of performance of the delivery obligation in accordance with these GTCP or a prior individual agreement or at the general place of jurisdiction of the Seller. Prior statutory provisions, in particular regarding exclusive responsibilities, shall remain unaffected.