

General terms of purchase of the Biedermann Motech GmbH&Co.KG company



1. Validity

- 1.1. All deliveries, services and offers by our suppliers are undertaken exclusively according to these general terms of delivery. These terms form part of all contracts which we enter with our suppliers for deliveries or services offered. They are also valid for all future deliveries, services or offers made to the principal, even if they are not agreed separately.
- 1.2. The business terms of our suppliers or third parties are not applicable, even if we do not contradict the terms separately in individual cases. Even if correspondence contains a reference to the business terms of the supplier or a third party or draws attention to them, no agreement to the validity of the business terms can be derived.
- 1.3. Completed quality assurance agreements, confidentiality agreements and supply instructions transferred with the order are part of the contracts mentioned under section 1.1.

2. Orders

- 2.1. In so far as our orders do not expressly contain a commitment period, we commit ourselves to the purchase for one week from the date of the order. The order must be confirmed by the contractor. Receipt of the acceptance declaration by us is decisive for punctual receipt.
- 2.2. We are entitled to change the time and place of the delivery as well as the type of packaging at any time in writing within a period of 7 calendar days from the agreed delivery date. The same is valid of changes to product specifications, as far as these can be implemented with normal contractor production processes without any increased additional expense, whereby the notice period relating to the afore-mentioned part is at least 10 calendar days. We will refund the supplier with any proven and appropriate additional costs incurred due to the change. If such changes cause delays in delivery, which cannot be avoided during the contractor's normal production and business operations despite reasonable effort, the original delivery date will be postponed accordingly. The supplier will notify us in writing about his careful assessment of the expected extra expenses or delivery delay in good time before the delivery date, however at least within 4 working days of receipt of our notification mentioned in paragraph 1. If additional expenses are not notified within this period, the supplier is not entitled to invoice any extra expenses.
- 2.3. We are entitled to terminate the contract at any time with a written declaration and indication of the reason if we can no longer use the products in our business operations due to circumstances arising after entering the contract. In this case, we would pay the supplier for any partial services/supplies provided.
- 2.4. If the supplier's credit situation or ability to supply becomes endangered to an extent which endangers fulfilment of the contract, if the supplier ceases

to meet payments or if insolvency procedures are opened against the assets, we are entitled to step back from the contract which could also be partially enforced. Sub-contracting to third parties is not allowed without our written permission and authorizes us to step back from the contract or entitles us to demand replacement of damages.

3. Price, payment terms and invoice details

- 3.1. The price mentioned in the order is binding.
- 3.2. If no other written agreement is made, the price, delivery and transport must be made to the delivery address named in the contract and includes packing.
- 3.3. If the agreement made does not include the costs of packing and the payment for the packaging (which is not only provided on a loan basis) is not expressly determined, this must be invoiced at proven cost prices. The supplier is obliged to take back any packaging on his own cost upon our request.
- 3.4. If no other arrangements are made, we pay the purchase price after delivery of the goods and receipt of the invoice within 14 days with 3% cash discount or within 30 days net.
- 3.5. All order confirmations, delivery notes and invoices must contain our order number, article number, delivery quantity and delivery address. Should one or more of these details be missing and processing is delayed by us in our normal business operations, the payment periods mentioned in paragraph 4 are extended by the period of the delay.
- 3.6. For any payment delays, we owe interest at 5% above the base interest rate according to the terms of § 247 BGB.
- 3.7. We are authorized to maintain and enforce our right to retention according to the relevant legal terms.

4. Delivery periods, delivery and transfer of risk

- 4.1. The delivery date stated in the order is binding. Premature deliveries are only permitted with our previous written permission.
- 4.2. The supplier is obliged to inform us immediately in writing if circumstances arise or become recognizable which can lead to failure to comply with the delivery date.
- 4.3. If the latest day on which the delivery should take place can be determined by this contract, the supplier is delayed once this day is over without the necessity for us to provide a reminder.
- 4.4. In the case of delivery delays, we are entitled to unrestricted legal claims, including the right to step back from the contract and the right to replacement of damages instead of the supply/service after exceeding an appropriately set deadline.
- 4.5. We are entitled to demand payment of a contractual penalty for delivery delays, after issuing a previous written warning to the supplier, for each commenced week of the delay at a sum of 0.5 %, and a maximum of 5 %, of the order value. The penalty is to be set off against the delay damages replaced by the supplier.
- 4.6. The supplier is not entitled to make partial deliveries without our previous written agreement.
- 4.7. The transfer of risk is only passed over to us, including if a dispatch has been agreed, when the goods are transferred at the agreed destination.

5. Protection of ownership

- 5.1. We reserve the proprietary laws and copyright laws for any orders or commissions provided as well as drawings, illustrations, calculations, descriptions and other documents provided to the supplier. Without our expressed agreement, the supplier may not make them accessible to third parties, publicize them, use them, reproduce them or let third parties use them. Upon our request, the supplier is obliged to completely return all documents and any copies if they are no longer needed for proper business procedures or if negotiations are not leading to the completion of a contract.
- 5.2. Tools, equipment and models which we provide to the supplier or which are produced for the purposes of the contract and are invoiced to the supplier by us remain our property or become our property. They must be identified as our property by the supplier, be stored carefully, be insured against all types of damages and only be used for the purposes of the contract. The costs of the maintenance and repair of these objects are covered 50/50 by the contracting partners as long as no other arrangements are made in writing. If the costs of the damages can be traced back to objects produced by the supplier or the incorrect use by the supplier, his workers or other assistants, the full costs must be covered by the supplier. The supplier will notify us immediately about any damages caused to these objects which are not minor damages. Upon request, the supplier is obliged to hand these objects over to us in proper condition if they are no longer needed for fulfilment of the contract entered with us.
- 5.3. The reservation of proprietary rights by the supplier are only valid if they relate to the payment duties for the ordered products where the supplier maintains proprietary rights until payment is made. Extended or lengthened reservations of proprietary rights are not permitted.

6. Quality assurance and proof of origin

- 6.1. All supplier deliveries must comply with the authorized technological regulations and the agreed technical data, in particular quality regulations as well as any observed protection laws and other safety rules such as the EEC directive 93/42/EEG or the medical product laws. The supplier is obliged to maintain a quality control system based on the international norm ISO 9001 or ISO 13485 with the aim of production without faults and the continual improvement of performance levels. The supplier obliges any sub-suppliers to maintain a comparable quality management system which ensures procurement of the purchase parts/externally refined products without any defects. The details are to be regulated between the parties in the individual written agreements for quality.

7. Guarantee claims

- 7.1. The unrestricted legal entitlements apply for any defects. However, the difference is a guarantee period of 36 months.
- 7.2. Quality and quantity differences count as rebuked on time if we notify the supplier within 30 working days after receipt of the goods. Any hidden material defects also count as rebuked on time if the notification is sent to the supplier within 15 working days after discovery.
- 7.3. We do not waive our guarantee claims through acceptance or approval of the samples or test products provided.

- 7.4. The receipt of our written defect notification obstructs the limitation of guarantee claims. The guarantee period starts anew for replaced and improved goods from any replacement deliveries and defect corrections, unless we must assume from the behavior of the supplier that he does not admit that he is obliged to these measures and is only undertaking the replacement delivery or defect corrections as a gesture of good will or a similar reason.

8. Product liability

- 8.1. The supplier is responsible for all claims made by third parties for physical or material damages which can be traced back to the supplier due to faulty products delivered and is obliged to free us of any liability. If we are obliged to carry out a recall campaign due to an error in products delivered by the supplier, the supplier covers all costs related to the recall campaign.
- 8.2. At his own cost, the supplier is obliged to maintain a product liability insurance policy with a cover sum of at least EUR 5,000,000.00 for personal injury and property damage with global coverage, including recall risk, or the corresponding monetary equivalent in the local currency. Upon request, the supplier will supply us with a copy of liability insurance policy at any time.
- 8.3. The supplier surrenders all present and future contractual damage replacement claims, which he is entitled to from his suppliers, to us as long as the damages have been caused by the supply product. The offer and the acceptance of the surrender take place with the issue of the supply contract.

9. Protective rights

- 9.1. The supplier is responsible for ensuring that no third party protection laws are breached in connection with products produced by the supplier or on behalf of the suppliers in countries of the European Union, North America or other countries.
- 9.2. The supplier is obliged to free us of all claims which third parties make against us in connection with the breaches against the commercial protection laws mentioned in paragraph 1 and must refund us with all necessary expenses in connection with the demands. This demand is irrespective of any fault of the supplier.

10. Confidentiality

- 10.1. The supplier is obliged to maintain strict confidentiality regarding the conditions of the order and all information and documents provided for this purpose (with the exception of publicly accessible information) and to use them solely for the implementation of the order. This is valid for as long as the secrets and confidential information provided is not made public. The supplier is liable for proving publication of the information. The supplier will hand back any information immediately upon our request after processing enquiries or orders.
- 10.2. In advertising materials, brochures etc., the supplier may not fail to mention the business relationship with us and/or not exhibit products produced for us.
- 10.3. The supplier will oblige any sub-suppliers to maintain the terms of section 10.

11. Surrender

11.1. The supplier is not authorized to surrender claims from this contractual relationship to third parties. This is not valid if outstanding accounts are in question.

12. Place of execution, court of jurisdiction and applicable law

12.1. The place of execution for both parties and the exclusive court of jurisdiction for all disputes resulting from this contractual relationship is Villingen-Schwenningen.

12.2. The contracts entered by ourselves and the supplier are subject to the laws of the Federal Republic of Germany with exclusion of the treaty for the international sale of goods.