

1 General

Our contracts shall be concluded exclusively on the basis of these Terms of Purchase. This shall also apply for future transactions with Supplier. We herewith oppose deviating terms by Seller or Supplier, respectively; they will not be acknowledged even by acceptance of the goods without repeated explicit opposition.

2 Orders

The contents of our written orders or confirmations, respectively, shall be solely applicable. Orally given orders or oral side arrangements shall only gain validity with our written confirmation.

Our orders shall be confirmed in writing within 5 days. After expiration of this period, we shall no longer be bound to our contract. With the order confirmation, Supplier guarantees that the ordered goods have the quality required by us.

3 Confidentiality, provided documents and objects

All documents or objects which we leave to Supplier for making an offer or for the realization of a contract shall remain our property and may not be used for other purposes, or copied or made available to third parties. After completion of the contract, these documents or objects shall be immediately returned to us at no charge. The products manufactured in accordance with these documents may only be supplied to us and not to third parties. Supplier shall be obligated to exclusively use – for the realization of orders by our enterprise – all the know-how and experience obtained on the occasion of the completion of our order and not bring it to the attention of third parties. His employees shall be obligated accordingly. Passing on to the Supplier's staff any of the supplied documents or passing on know-how acquired within the scope of the order shall be limited in so far to the group of persons positively required for handling the supply relationship. Supplier shall be liable for all damages which the ordering party suffered due to the breach of these obligations.

Supplier may use the tools supplied by us only for processing the goods ordered by us. He shall be obligated to insure the tools at his own cost for their new value and he thus assigns all damage claims versus the insurer.

4 Inadmissible advertising

Without our written consent, it shall not be allowed to use our inquiries, orders, and the connected correspondence for reference or advertising purposes.

5 Subcontractors

Subcontractors may only be called in for the manufacture of essential preliminary material if we have given our written consent.

6 Keeping time limits and due dates, contract penalty

The delivery due dates indicated in our order shall be binding. The specified delivery due date shall be equivalent to the delivery date. Decisive for keeping the delivery due date shall be the delivery of goods at the Incoming Goods, with the receiving office specified by us; for other services, their performance or the successful acceptance inspection performed at the specified point in time. Premature deliveries and services shall require our consent. If a delay of delivery is expected, we shall be immediately notified thereof with an indication of the reasons. Our statutory claims for default of delivery shall remain unaffected thereby.

If a contract penalty is stipulated for the non-compliance with time limits or due dates, we can still claim it until the final payment or, respectively, we can set it off against it, even if the contract penalty is not reserved in case of performance.

7 Acceptance and acceptance inspection

In cases of force majeure, and in case of strike, lock-outs, operating breakdown, and other events which we cannot influence, we shall be entitled to postpone the acceptance/acceptance inspection until after removal of the obstacle without any claims arising therefrom for the Supplier.

Anyway our acceptance inspection is limited to visible transportation damages of the goods. Such damages will be reported by us to the supplier as soon as we can.

8 Partial, additional, or short-fall deliveries

Partial deliveries or services shall require our prior written consent. We reserve the right to accept in individual cases additional or short-fall deliveries.

9 Prices

Prices shall be fixed prices and shall be understood without value-added tax, including packaging, free receiving office.

10 Dispatch, packaging

Dispatch shall be effected freight prepaid, free of packaging costs and free of charge to the receiving office specified by us.

If the packaging is to be separately reimbursed in accordance with the agreement, we shall have the right to return it, freight prepaid, to Supplier if it is in reusable condition, against reimbursement of two thirds of the calculated value.

Packaging shall be such that any damage of the goods to be delivered will be excluded, taking into account the stipulated or usual transport route and its foreseeable burdens.

11 Invoice, payment

After complete delivery or, respectively, acceptance inspection, invoices shall be submitted to us separately for every order, each indicating the order number and the order date, in duplicate and to be designated as such.

The term of payment and discount shall run as of receipt of invoice; not, however, before complete delivery, performance of services or acceptance inspection. We shall make payments – with payment instruments of our choice – 14 days after said term with a 3% discount, or net 30 days after said term.

12 Passage of risk

The risk shall only pass to Purchaser upon acceptance inspection at the mailing address. Supplier shall bear the cost of insurance.

As far as delivery ex works has been stipulated in the individual case and if no transport company has been named by us, Supplier shall take care of the freight carrier which is most reasonable for us and shall take care of a correct declaration. In this case as well, Supplier shall be liable for transport damages.

13 Procurement guarantee

Supplier shall vouch without restrictions for the procurement of the necessary supplies and services which are required for the order – even without fault.

14 Provision of material

Processing or modification of material provided by us shall be done for us as the manufacturer in accordance with § 950 BGB (Civil Code). Supplier shall safeguard the

processed article with the commercially customary care and at no cost for us.

In case of accidental loss or accidental damage of the material provided, Supplier shall have no claim for reimbursement of his expenditures for handling and processing.

15 Product Warranty

Supplier shall guarantee and warrants to emz that the deliveries or services are in accordance with the contractually specified intended purpose and the product specifications, with the latest state of the art and free of defects in material and workmanship, in full accordance with the pertinent provisions by the Authorities and Trade Associations, in full accordance with the respectively valid environmental protection conditions and without infringing third-party rights and in accordance with our code of Conduct. Supplier's deliveries shall also be in strict accordance with any relevant statutory provisions, among others of the European Union and the Federal Republic of Germany. I.e. among others VO EG 1907/2006 (REACH) and the German Law on the Disposal of Electronic- and Electronical Devices ("Elektrogesetz" of March 24, 2005, BGBl. I, S. 762, arising from VO EG 2002/95, RoHS and 2002/96, WEEE). Supplier will inform emz immediately on any and all relevant changes of the products delivered to emz concerning product quality, use of the products and supply capability arising from any applicable provisions referenced in this section 15. Any action required to secure the referenced quality, use and supply capability will be discussed with emz immediately. The same shall apply in the event and as far as Supplier identifies and recognizes any such changes for the future.

As far as deliveries of supplier contain software, rights and other items, which can only be used on the basis of certain rights of use, such rights will be transferred to us together with the deliveries and without any surcharges.

Before beginning with the implementation of our order, Supplier shall notify us in writing of any objections to our specification, the desired type of completion, the condition of the tools, templates/models, or materials provided, or to other documents which are part of the order. Our consent to the drawings, calculations, or other technical documents prepared by Supplier shall not affect his contractual or, respectively, statutory obligations.

The period of limitation for claims and rights by the ordering party for defects of the delivery or service – on whatever legal grounds – shall be 4 years. This period shall also apply if the claims are not in connection with a defect. Longer statutory periods of limitation shall remain unaffected, as well as the provisions on the beginning of the limitation, suspension of the statute of limitations, the stay and the new beginning of periods.

If Supplier does not meet his obligation for remedy of defects within a reasonable period specified by us, we shall be entitled to take on our own the required actions at his cost and risk, without this affecting any further claims on our side. Even in case of minor deviation of the stipulated condition or in case of only minor reduction of usability, the ordering party shall have the right to withdraw from the contract and compensation for damages instead of performance.

16 Protective rights

Supplier shall be liable for third-party patents or protective rights not being infringed by the use of the delivered articles. He shall release us as soon as we demand such release from all claims which are brought against us or our purchasers due to the infringement of an industrial protective right.

17 Right of emergency manufacturing

Supplier shall grant us a right of emergency manufacturing if he cannot meet on time or in the quality owed to us his delivery obligations, either in parts or entirely – despite a reasonable period given for contract performance. To this end, we shall be entitled to either take over the manufacture in his operating plants – with our tools or with the tools in Supplier's possession – in performance of his obligations without us having the authority to give instructions to Supplier's employees or to demand the return of all tools and other necessary documents in order to set up an emergency manufacturing in our or other (third party) business premises.

18 Product liability and release from liability for advertising statements

Supplier shall release us from all claims which are brought against us because damage was incurred due to our deliveries, if such damage is due to defects in the design and/or the production, and/or due to a breach of his control duties or product observation duties, or organizational duties.

Under the same prerequisite, he shall also be liable for damages which we incur due to any required and - in type and extent - reasonable precautionary measures against a claim under product liability, e.g. through public warnings and product recalls (own recalls or third-party recalls).

Upon request, Supplier shall prove to us whether and to what amount he is insured for product liability.

Supplier shall release the ordering party from all claims by the customer or end user which the customer or end user lodges on the basis of advertising statements by the supplier, a subcontractor of the supplier or an accessory to those named and which claim would not exist without the advertising statement or not of this type or amount. This provision shall apply irrespective of whether the advertising statement is made before or after conclusion of the contract for which these Terms of Purchase are applied.

19 Place of performance, legal venue, applicable law

Place of performance for deliveries and services shall be the receiving office or, respectively, the utilizing office specified by us.

Regensburg shall be the legal venue if Supplier is a merchant within the meaning of the *Handelsgesetzbuch* (German Commercial Code). However, we may also bring action against Supplier at his own general legal venue.

The law of the Federal Republic of Germany shall be applicable in addition to the contract provisions. Excluded shall be the application of the Convention by the United Nations regarding International Agreements for the Purchase of Goods, of April 11, 1980.