



## GENERAL PURCHASING CONDITIONS

### § 1 General - Scope

- (1) Our purchasing conditions apply exclusively; we do not recognize contradictory conditions, or conditions from the supplier that differ from our conditions, unless we have expressly agreed to their validity in writing. Our purchasing conditions shall also apply if, notwithstanding our knowledge of terms and conditions of the customer opposing or deviating from our purchasing conditions, we accept the delivery of the supplier without reservation.
- (2) All agreements pertaining to the execution of the present contract made between us and the supplier must be documented in written form in the contract.
- (3) Our purchasing conditions only apply with respect to companies in accordance with section 310, paragraph (4) of the German Civil Code.
- (4) Our purchasing conditions also apply for all future deliveries and services made by the supplier to us.

### § 2 Quotation – Offer document

- (1) The supplier undertakes to accept our purchase order within a period of 14 days. An order shall be deemed accepted if the supplier does not object within 10 working days from the order date.
- (2) We reserve the right to ownership and copyright of all illustrations, samples, drawing, calculations and any other documents; such documents shall not be disclosed to any third parties without our written approval. They have to be used exclusively for production based on our order; on completion of the order, they have to be returned unsolicited to us. They will be kept secret from third parties; in this respect the provision of section 9, paragraph (4) is valid additionally.
- (3) Our products may be shown in neither electronic or printed media, as well as trade fairs, exhibitions nor presentations.
- (4) The supplier undertakes to comply with the statutory and official laws and regulations in the country of manufacture.

### § 3 Prices – Payment terms

- (1) The price stated in the order shall be binding. If no particular agreement has been made, the prices are understood as being ex-works duty paid (DDP delivery address, according to INCOTERMS 2000) including packaging, plus the prevailing valid turnover tax.
- (2) One-way packaging shall be returned at no charge.
- (3) We can only process invoices if according to the particulars given in our order these show the order number stated therein, supplier shall be answerable for all consequences resulting from a failure to comply with this obligation, unless he proves that he is not responsible for this.
- (4) Unless otherwise agreed in writing, payments shall be made in performance and receipt from 1st to 15th of the month at the latest, in performance and receipt of 16th up to the last day of the month on the 15th of the following month each with 3% discount, or within 60 days net.
- (5) We are entitled to the right of set-off and detention to the legal extend.



#### **§ 4 Delivery dates**

- (1) The delivery time stated in the order is binding and shall be regarded as a fixed deadline.
- (2) If agreed deadlines are not upheld, the legal regulations apply. If the supplier realizes that it is not possible, or will be according to the contract, the terms of delivery to production, in compliance with the delivery or similar circumstances, the supplier must notify us immediately.
- (3) In the event of delay in delivery, we shall be entitled to demand a contract penalty of the rate of 0.2% of the net delivery value per delayed delivery per working day, however not more than 10% of the total value of goods. In particular, we are entitled, upon expiry of a reasonable period, to demand compensation instead of the performance of the contract and to request recession. Should we demand compensation, the supplier has to prove also that he is not liable for this.

#### **§ 5 Transfer of risk - Documents**

- (1) Unless otherwise agreed in writing, the delivery is to be made free of charge.
- (2) The supplier shall be obligated to quote our exact order number on all dispatch papers or delivery notes; should he fail to do this, we shall not be responsible for any delays in processing.
- (3) The delivery notes and the bills are to submit 2-fold.

#### **§ 6 Investigation of defects – Liability for defects**

- (1) We will examine the goods within a reasonable period of time in order to check if they present any apparent variations in quality or quantity; any respective complaint shall be considered as made in due time if it reaches the supplier within a period of 5 working days, calculated from the receipt of the goods or, in the case of latent defects, upon discovery thereof.
- (2) However, the supplier explicitly waives the objection of a belated notification of deficiencies according to section 377 German Commercial Law Code (HGB).
- (3) We are entitled to the statutory liability claims in full; in any case we are entitled at our discretion either to demand elimination of the defect, or delivery of a new and flawless product. We expressly reserve the right to claim compensation, in particular the right to claim compensation in lieu of performance.
- (4) We shall be entitled to remedy the defect ourselves at the supplier's expense in cases of imminent danger or in particularly urgent cases.
- (5) The supplier has to bear all resulting costs to us, in particular transport, travel, labor, material costs, as a result of defective delivery of the contract object, and the customary scope of excessing investigation costs.
- (6) The limitation period for defect claims is 12 months from the transfer of risk.

#### **§ 7 Product liability - Release – Third party liability insurance**

- (1) If the supplier is responsible for a product loss, he shall be obliged to exempt us from third-party claims for damages at the first request, insofar as the cause of the loss is located within his sphere of control and organization and insofar as he is liable in the external relationship.
- (2) Under his liability for damages as defined under (1), the Supplier is also obligated to retribute any expenses according to §§ 683 and 670 BGB (German Civil Code) as well as § 830, 840, 426 BGB; which result from, or in connection with a carried out recall of us. We will inform you of the content and scope of the recall measures to be carried out, as far as is possible and can be reasonably expected of us, and give you the opportunity to respond. Other statutory claims remain untouched.
- (3) Supplier undertakes to maintain product liability insurance with an insurance sum with coverage of 10 million Euro per personal injury claim / property damage – overall – to entertain; stand us further claims for damages, so they stay unaffected.



## **§ 8. Property rights**

- (1) The supplier warrants that his consignment and its utilization do not violate any rights of third parties within the Federal Republic of Germany.
- (2) If claims are asserted against us by a third party due to such infringement the supplier shall be obliged to indemnify us from these claims upon first request; we are not entitled to conclude any agreements with the third party – in particular to make a compromise – without the consent of the supplier.
- (3) The indemnification obligation of the supplier shall relate to all expenses which the Customer incurs from or in connection with claims being forwarded by third party.
- (4) The limitation period is 10 years, calculated as of the conclusion of the contract.

## **§ 9 Retention of ownership – Provision of materials - Molds – Confidentiality**

- (1) We retain title to all goods provided by us to the supplier. Processing or alteration of such goods will be performed by the supplier on our behalf. If the goods subject to our retention of title are processed with other objects not belonging to us, then we shall acquire co-ownership of the new item in proportion to the ratio of the value or item (purchased price plus value-added tax) to the other processed objects at the time of processing.
- (2) If the article supplied by us is intermixed inseparably with others not belonging to us, we shall acquire co-ownership of the new article in proportion to the value of the item subject to retention of title (purchase price plus value-added tax) to the other objects mixed-in at the time of the mixing. If the goods are mixed in such a manner that the supplier's item is regarded as the main item, the parties hereby agree that the supplier shall transfer proportionate co-ownership to us; the supplier shall hold the sole ownership or co-ownership on our behalf.
- (3) We retain title to all molds provided by us to the supplier. The supplier undertakes to use the molds solely for the manufacture of the goods we ordered. The supplier shall be obliged to insure the molds belonging to us at replacement value at its own expense against fire, water and theft. At the same time, the supplier already now assigns all claims for compensation from this insurance to us; we hereby accept such assignment. The supplier is under obligation to perform any necessary service and inspection work on our molds, as well as all repair and maintenance work on the same, in good time and at this own cost. Any instances of malfunction shall be notified to us immediately; should he culpably fail to do so any damages claims remain unaffected.
- (4) The supplier is obligated to keep all provided depictions, drawings, calculations and other records and information in strict confidence. Third parties can only see them with express agreement for our side. The obligation to maintain secrecy shall also apply after this Contract has been implemented; it shall expire if and insofar as the information contained in the surrendered images, drawings, calculations and other documents that were provided was generally known.
- (5) Should the security rights accorded to us under the terms of Paragraph (1) and/or Paragraph (2) exceed the purchase price of all our conditional commodities not yet paid by more than 10%, we shall be obliged on demand of our suppliers to hand out over the rights of our choice to our supplier.



## § 10 Final provision

- (1) Should individual provisions of these terms and conditions of business be partially or completely legally invalid, the validity of the remaining provisions shall not be affected by this. Then the invalid provision in the economic success as similar as possible has been agreed.
- (2) Place of performance and venue is Bad Soden-Salmünster
- (3) The Law of the Federal Republic of Germany shall apply to all legal relations between the supplier and ourselves, under exclusion of the conflicts of laws provisions and the Vienna UN Sales Convention.(CISG).

***Please note that in case of legal dispute only the official German version of this document is legally binding.***

**Kremer-Polymer-Industries  
GmbH & Co. KG**

Hans-Streif-Strasse 2-6  
D-63628 Bad Soden-Salmuenster

**Kremer-Kautschuk-Kunststoff  
GmbH & Co. KG**

Fon: +49(0)6056 / 9154 - 0  
Fax: +49(0)6056 / 9154 – 30

**Kremer-Silicon GmbH**

E-Mail: [team@kremer.de](mailto:team@kremer.de)  
<http://www.kremer.de>