

General Purchase Conditions of MATEC GmbH

1. Preface

The following are the exclusively standard conditions for all – also future – transactions, deliveries and services between MATEC GmbH (hereinafter called "MATEC") and entrepreneurs, juridical persons of public law or special schemes subject to public law about supplies of goods and services to MATEC. Divergent conditions of the supplier are binding for MATEC only then and to the extent that MATEC accepts them in writing for the relevant contract while concluding it.

If for a particular order special conditions diverging from the following are agreed to, then the following purchase conditions shall apply as being of secondary importance and as being supplementary.

Contrary confirmations of the supplier with reference to divergent conditions are herewith vetoed; such opposing or conditions other than those listed here on the part of the supplier are not acknowledged by MATEC, also if the clauses in offers or confirmation letters contain conditions diverging or supplementary or those mentioned here, unless MATEC had earlier approved of their applicability in writing. The unconditional acceptance of the deliveries and services of the supplier by MATEC or their payment does not signify any acceptance of the conditions of the supplier, also if MATEC accepts the delivery unconditionally with knowledge of the divergent conditions of the supplier being in conflict with the conditions mentioned here.

2. Offers and Orders

The preparation of offers and cost estimates by the supplier are done for MATEC free of cost and without obligation. Departures from this must be permitted in writing by MATEC.

The supplier is committed to his offer for 6 weeks.

Orders and changes in orders are binding for MATEC only when they are issued on MATEC forms and are submitted to MATEC countersigned by the supplier. The object of delivery is specified by the MATEC article number mentioned in the order and the documentation prepared in that regard. An obligatory quantitative and time schedule can arise only after the delivery plan instalments or blanket purchase orders are issued by MATEC in text form (as per § 126b BGB) without signature to the supplier, provided the supplier does not dispute it within five days after receipt.

Orders are valid only when they are given in writing. Oral or telephonic agreements require written confirmations by MATEC. An integral part or basis of the individual purchase contracts is the details of the order given by MATEC along with the relevant documents like drawings, technical delivery conditions, building regulations, material specifications etc., and the applicable regulations for environment protection, for handling hazardous materials, and for accident prevention. In the event of obvious errors, typing and counting mistakes in the documents, drawings and plans submitted by MATEC, there is no liability attributable to MATEC. The supplier is obliged to bring such mistakes to the notice of MATEC, so that the order of MATEC can be corrected and replaced. This applies also to missing documents or drawings. The updated index of drawings already submitted to the supplier should be checked with the MATEC drawings given in this regard.

Every order is to be confirmed with signature on the order-form sent by MATEC along with mention of the binding delivery time limit within five working days after receipt. Unless the supplier does not dispute the order within five working days, the latter is considered as accepted by the supplier, even without the requirement of an order-confirmation. A transfer of the order to a third party without specific written consent by MATEC is not permitted.

Product changes or adaptations in the manufacture by the supplier, which lead to changes of specifications, of drawings or quality-standards or otherwise affect the operational safety and functioning of the products manufactured by MATEC, are permissible only with prior written approval of MATEC. Even apart from the issue of approval by MATEC, such changes and adaptations are to be communicated immediately to MATEC in writing.

MATEC reserves the ownership rights on the diagrams, models, calculations and other documents made available or produced at the instance of MATEC, as also on the finished and semi-finished products. The passing on to third parties without express written consent of MATEC is prohibited. This applies in particular also to such written documents which are marked as confidential. They are to be used exclusively for production as per the orders of MATEC, and subject to otherwise specified agreements in individual cases, are to be returned to MATEC immediately after completion of the orders without any separate demand for the same. In the event of damage, destruction or of decay, this fact is to be immediately communicated to MATEC in writing.

The material provided remains the property of MATEC. It is to be stored separately and is allowed to be used only for execution of orders of MATEC. For reduction in its value or loss the supplier is liable even if it is through no fault on his part. The objects which are made with the material provided by MATEC are the property of MATEC in their respective stage of manufacture. The supplier holds these objects on behalf of MATEC; in the sale price the costs for safe custody of the objects and materials for MATEC are included.

3. Delivery and Delivery Periods

In all orders, whether it be individual orders, delivery plan schedules, or blanket purchase orders, the delivery periods specified are binding and an important contractual obligation. All services must be performed on the specified date at the place named by MATEC. In the event of delays of the supplier, MATEC is entitled to institute legal claims.

The delivery period begins with the order. Decisive for compliance with the delivery period is the arrival of the supply at the receiving or utilization place specified by MATEC.

The supplier is obliged to inform MATEC immediately in writing if circumstances arise or come to be known by him, from which it appears that the agreed delivery period cannot be complied with. In this case he has to obtain the decision from MATEC about continued maintenance of the order.

About the absence of necessary documents to be provided by MATEC the supplier can use that as a defense only if he has sent a reminder for them in writing and has not received them within a reasonable period. The delivery is done at the cost of the supplier, free of expenses, freight and packaging costs at the receiving or utilization place specified by MATEC. The risk is transferred to MATEC only after acceptance at the receiving or utilization place. If departing from these conditions, delivery is not agreed upon as DAP MATEC Koengen according to the Incoterms 2010, including insurance and customs charges, the supplier has to make the goods ready for loading and dispatch at the right time and to ask the mutually agreed cargo forwarder or MATEC for being taken away. The supplier is obliged to inform MATEC of the goods being ready for dispatch and to agree on the modalities of forwarding with the dispatch department of MATEC. The acceptance of goods is possible only during the existing hours for acceptance of goods. For disregard of this regulation the supplier becomes liable for any additional costs that may possibly arise.

The supplier is deemed to have defaulted in his performance if he crosses the agreed delivery period, without there being any need for a reminder in advance.

In the case of a delay in supply MATEC is entitled to institute legal claims and the supplier is

obliged to compensate MATEC for the damage caused by the delay. The acceptance of delayed deliveries does not mean any waiver of further claims resulting from the delay. Besides that MATEC in particular has the right, after fruitless expiry of a reasonable waiting period, to demand compensation instead of the service and to withdraw from the contract. In the case of enforcement of a claim for compensation the supplier has the right to prove that he is not responsible for the failure to fulfill the obligation.

For delayed deliveries MATEC has the right independently of the above regulation, to demand by offsetting a possibly higher compensation a lump-sum compensation of 1 % of the net value of the order for each calendar week in progress, totaling at the maximum of 5 % of the net value of the order. The enforcement of a further lump-sum claim for the damage caused by the delay is not ruled out. The supplier has the right to prove that there has been no damage caused or that the damage caused is much less than the lump-sum demanded.

If the supplier cannot comply with the delivery periods (delivery dates and delivery periods: hereinafter called "delivery periods") for reasons, for which he is not responsible, the contracting parties are obliged to inform themselves immediately about this and to adjust their contractual obligations in good faith reasonably with due regard to the changed circumstances. This applies in particular to events of force majeure like war, civil war, export restrictions or trading restrictions on account of a change in the political circumstances as also labor disputes, operational breakdowns, operational restrictions and similar occurrences. In this case MATEC is freed from the obligation to accept the ordered supplies and to withdraw from the contract to that extent, as the deliveries because of the delays caused are no longer usable for MATEC from the commercial viewpoint.

Similarly, for the duration of the presence of the above mentioned events, for which MATEC is not responsible, MATEC is freed from the obligation of punctual acceptance of the supplies.

Commencement of serial deliveries for production can begin only after the specimens have been accepted in writing by MATEC. In this as also in other cases, in which the issue of orders and deliveries, etc depends on approval of specimens, the purchase is considered to be a purchase on trial.

After issue of the order against accepted specimens the supplier has to inform MATEC of every proposed change along with submission of new specimens. These need written consent and clearance from MATEC. The same applies to departures from clearance protocols.

Partial, excess, or advance deliveries are permissible only with prior consent of MATEC. The additional costs arising from that are borne by the supplier. If delivery is done earlier or more than what was agreed upon, MATEC is not obliged to accept the same, but has the right on the other hand to return the goods at the cost and risk of the supplier, or optionally to store the goods at the cost and risk of the supplier until the agreed date of delivery. The payment date of the amount owed by MATEC in this case is determined by the contractually agreed delivery date.

If delivery is agreed upon in partial quantities or on call, then MATEC can enforce its rights in the event of exceeding the delivery period also in respect of the total contract, even when the circumstances at first are present at the moment only for the instalment, not only on the basis of delay in partial deliveries, but rather on the ground that interest in fulfillment of the total contract has failed.

With every delivery are to be sent forwarding papers with mention of the order number of MATEC, quantity and unit of measurement, remaining quantity in the case of partial deliveries, as also name and number of the articles. Delays in the processing, which arise because the supplier has failed to give these details, are not the responsibility of MATEC.

If the specified packaging and forwarding instructions of MATEC as also the legal redemption obligations in respect of packaging are disregarded, MATEC has the right to refuse acceptance of the goods.

4. Prices and Payment

Unless clearly specified otherwise, the agreed prices are fixed prices and rule out every type of supplementary demand. This does not apply insofar as the supplier makes a general reduction in his relevant prices. The prices are taken to be inclusive of packaging, freight and all incidental costs and free for delivery at the place of use. The return of packaging needs a separate agreement.

Bills are to be submitted along with the numbers of the order, of the article, and of the delivery note numbers of MATEC and the supplier number of the supplier.

If no prices are mentioned in the order, the currently applicable prices of the supplier with the customary discounts are valid.

The risk lies with the supplier at the time of forwarding and passes on to MATEC only after arrival of the goods at the receiving or utilization place specified by MATEC (DAP MATEC Koengen according to Incoterms 2010).

With each delivery are to be enclosed forwarding papers along with mention of the order number, of the article number(s) of MATEC as also the size and weight. Bills are to be issued to MATEC in duplicate at least 14 days before the due date for each order separately, along with all the related data like order number, article number, delivery note number, VAT identification number and quantity and unit of measurement, remaining quantity in the case of partial deliveries etc. For all consequences arising from non-compliance with this obligation the supplier alone is responsible, insofar as he does not prove that he is not responsible for these omissions.

The payment is done, unless otherwise agreed upon in writing, only after complete receipt of the goods defect-free or after defect-free completion of the service and after punctual receipt of the bill. In the case of agreed partial deliveries or blanket orders this applies appropriately. The payment is done by MATEC in the manner customary in the trade. The discount for payment within 14 days, counted from complete and defect-free arrival of the goods and after receipt of a proper auditable bill, amounts to 3 %. Delays caused by incorrect or incomplete bills are not taken into account for discount periods.

All payments are done subject to physical and computational inspection and to the rights of MATEC arising from defective supplies, also when this is not clearly stated by MATEC at the time of payment. Insofar as claims and complaints are already known to exist, MATEC has the right to hold back the payments. Suppliers, who intend to adopt the factoring process in respect of their claims against MATEC, have to inform about this already in their offers; this needs the written consent from MATEC.

For ongoing deliveries MATEC has the right, also when for each individual delivery a separate bill is issued, to make the total payment in each case at the end of the week, without thereby losing the claim to agreed discounts.

The rights for offsetting and withholding payments within the legal limits are open to MATEC against the suppliers. To that extent MATEC has the right to offset the supplier's claims with the claims of MATEC against the supplier. The enforcement of a withholding right or offset with possible counter-claims of the supplier is permissible only with legally decided or undisputed counter-claims.

Claims of the supplier against MATEC may be transferred to third parties only with the written consent of MATEC. The consent will not be denied without there being important grounds for the same. The supplier has no right to raise the defence of insecurity as per § 321 BGB.

Advances and down-payments are given by MATEC only if it is so agreed upon and the supplier gives MATEC a security for example through a performance bond of an inland credit institution. Payments made are not deemed to be acknowledgement of a defect-free delivery as per specifications.

5. Warranty

Incoming goods would be as far as possible and as soon as possible inspected by MATEC in the usual course of business for possible differences in quality and quantity and for damage during transport and defects discovered would be notified. The notification is in each case within the time limit if it reaches the supplier within a period of five working days counted from the arrival of goods. In the case of hidden defects the notification period is counted from the day of discovery. The supplier abstains to that extent from raising the objection of delayed notification.

Decisive for number of pieces, size and weight of a delivery shall be the values determined by MATEC during the inspection of incoming goods.

The legal claims for defects are open to MATEC without any limitations. In every case MATEC has the right to demand from the supplier either removal of the defects or delivery of new goods; for the replacements also apply in respect of the warranty the same conditions as those for the original deliveries.

The decision here lies with MATEC, whether removal of defects through repairs or delivery of new defect-free goods should be demanded. Besides the existing legal claims to supplementary performance, in particular the right to price reduction, the right to damage compensation instead of performance and the right to withdraw from the contract are expressly reserved by MATEC for itself.

If the supplier does not meet his obligation of supplementary performance within the time-limit fixed by MATEC or if the supplementary performance is unacceptable to MATEC, the right lies with MATEC to carry out the necessary measures on its own at the cost and risk of the supplier or to get them executed by a third party. The same applies independently of a possible obligation of supplementary performance if there is any danger in delay or there is a special need for urgency.

If the supplier does not meet his obligation of supplementary performance within the time-limit fixed by MATEC or if the supplementary performance is unacceptable to MATEC, the right lies with MATEC to withdraw from the contract and to return the goods at the cost and risk of the supplier, without there being any rights to compensation to the supplier in this regard.

The right to damage compensation instead of performance remains unaffected thereby.

The supplier guarantees that all deliveries conform to the latest state of technology and science, and that all applicable legal and technical conditions, in particular the rules and guidelines of government authorities, professional associations and industrial associations are complied with. If in individual cases departures from these conditions, rules and guidelines are necessary, the supplier must obtain the written consent of MATEC in this regard. The liability for material defects is not limited by this consent.

In addition the supplier is liable for all damages arising directly or indirectly on account of the defective goods. If on account of defective deliveries a piece-by-piece or a 100% inspection of the received goods becomes necessary, the costs arising from that will be borne by the supplier.

The supplier guarantees that in respect of the supplied goods third party rights do not exist. A reservation of proprietary rights agreed to with a third party or passed on by the supplier is not recognised by MATEC.

The supplier guarantees that with his deliveries and their utilisation by MATEC no patents or other protective rights of third parties are violated. The supplier frees MATEC and its customers at the first demand from all claims arising from the use of such protective rights and reimburses MATEC and its customers all costs, which may arise in this regard. This does not apply insofar as the supplier has produced the delivered goods as per the drawings, models or equivalent other descriptions or plans and does not know or in respect of the goods produced by him cannot know that through that third party rights are violated.

The limitation period for these claims from MATEC amounts to ten years, counted from the date of conclusion of the contract.

The rights of recourse to the "entrepreneur" in the sense of §§ 478, 479 BGB are available to MATEC against the supplier also then, when there is no sale of commodities.

The warranty period amounts, unless otherwise agreed upon, to 36 months counted from the date of receipt of the goods. If the supplied goods are procured for re-sale or for utilisation in the manufacture of MATEC products, then the warranty period begins from the point of time, in which the warranty period for the MATEC product fitted with the delivered goods begins, at the latest however 6 months after delivery to MATEC.

6. Liability, Product Liability

If MATEC is confronted with a claim on account of product liability, the supplier is obliged to exempt MATEC from such claims upon first request, so long as and to the extent that the damage is caused by a defect in the contracted goods delivered by the supplier. In the cases of a liability regardless of culpability of MATEC this would be still applicable only then, if the supplier is also at fault. So long as the source of damage lies within the range of responsibility of the supplier, the latter bears the burden of proof to that extent. The supplier takes over in these cases all costs and expenses including the costs of a possible prosecution or product recall. Other legal claims remain unaffected.

To ensure the exemption obligation, accepted as per 6, first paragraph, the supplier is obliged to mark the goods delivered by him in such a manner, that they can be permanently identified as his goods.

The supplier is obliged to maintain quality assurance corresponding to the latest position of technical and legal requirements and to prove it on demand to MATEC. The supplier is further obliged to insure himself for a suitable amount against all risks from product liability including the precautionary risk of product recall and to show this insurance to MATEC on demand. Additional claims for damage compensation from the side of MATEC against the supplier remain unaffected.

7. Environment Protection Conditions

For materials, which on account of legislation, executive orders or other conditions, or on account of their composition or their effect on the environment must be subjected to special handling in respect of packaging, transport, storage, contact and/or waste disposal, the supplier has to attach to the order confirmation a completely filled-in safety data-sheet, another data-sheet possibly required for further re-sale abroad and a relevant accident procedures sheet. In the case of changes in materials or in the legal conditions the supplier has to send to MATEC the updated data-sheets and instruction-sheets.

8. Limitation of Liability

For damages, MATEC is liable as per the legal provisions, so far as they are caused deliberately or through gross negligence or because of culpable violation of an important contractual obligation. So far as the damage is not caused by a deliberate violation of the contract for which MATEC is responsible or by a culpable violation of an important contractual obligation, the liability for damage compensation is limited to typically arising and foreseeable damages. The same applies when claims are made against MATEC for compensation of damages instead of performance of the service.

Unless specified otherwise in the above, the liability for damage compensation by MATEC is ruled out; this does not apply insofar as there is a usual insurance cover for liability due to a culpably caused material damage by MATEC.

All claims for damage compensation because of injury to health, to the body or to life remain unaffected. Also claims on the basis of a provision of the product liability law remain unaffected.

Any additional liability for damage compensation is ruled out – regardless of the legal nature of the claim being enforced. This applies in particular to claims for damage compensation from a fault while concluding the contract because of violating other obligations or because of tort claims for compensation of material damages as per § 823 BGB.

To the extent that liability for damage compensation against MATEC is ruled out or is restricted, this applies also in respect of personal liability for damage compensation on the part of employees, workers, colleagues, agents and subcontractors of MATEC.

Persons, who work in the factory area of MATEC or of a principal of MATEC for fulfilling the contract, have to observe the conditions of the relevant works regulations. The liability for accidents, which might befall these persons in the factory area, is ruled out, insofar as they were not caused by intentional or grossly negligent violation of obligations by legal representatives of MATEC or of its subcontractors.

The supplier is obliged to provide for adequate measures for damage protection and minimization.

9. Non-Disclosure

The supplier promises to treat the conclusion of the contract with MATEC as confidential. References to a business connection with MATEC can be made only with its written consent in the publicity and public relations activities of the supplier. The inclusion in lists of references likewise requires the consent of MATEC.

The supplier promises to treat as confidential all information and facts not yet made public, which come to be known by him through the business connection with MATEC.

Sub-suppliers are also to be subjected to this regulation correspondingly.

Documents and production means of all types, like specimens, drawings, models, tools, rules for calculations etc. which MATEC provides to the supplier and pays to the supplier, are to be kept confidential and on demand by MATEC to be returned immediately in proper condition, without retaining copies, individual pieces etc. This is to be done at the latest as soon as the order is completed or it becomes clear that no order would follow.

For every case of violation of the obligations specified in this item the supplier has to pay to MATEC a penalty amounting to 10 % of the gross value of the relevant order or of the goods produced with the relevant tools. So long as a penalty is demanded, it is to be paid regardless of the claims for damage compensation. If several orders were issued, the calculation of the penalty is to be based on the total delivery volume. The right to enforcement of a higher damage in any individual case is reserved by MATEC.

10. Obligation to Supply Spare Parts

The supplier promises to continue the supply of spare parts and wearing-out parts for at least ten more years after the last delivery. For spare parts the above specified payment and warranty conditions apply.

11. Final Provisions

For these business conditions and for the entire legal relations between MATEC and the supplier exclusively the laws of the Federal Republic of Germany apply. The place of performance for all obligations arising from this contractual relationship is either 73257 Koengen or the place of use specified by MATEC. The place of jurisdiction for all disputes arising from this contractual relationship, and about its formulation and its validity, so long as the supplier is a businessman or a juridical person set up by public law or a public-law special scheme, is Koengen; MATEC is however also entitled to prosecute the supplier in the place of his registered office. All agreements, which are concluded between MATEC and the supplier for the purpose of execution of this contract, are recorded in writing in this contract. Supplementary agreements need to be in written form. This applies also to going away with the need for the written form. If a clause in these business conditions or a clause within the scope of other agreements is or becomes invalid, this will not affect the validity of all other clauses or agreements. It should be replaced by a valid clause, which comes closest to the intention of the parties.

MATEC refers the supplier as per § 33 BDSG to the fact that data related to individuals is stored and processed.