



Terms and Conditions of Purchase 06/2013

1. General – Area of application

- 1.1 We exclusively purchase deliveries and services of any kind in accordance with these terms of purchase and any special conditions notified to the contractor. General terms and conditions of business of the contractor shall only apply following our express written confirmation. Neither failure of objection, nor payment, receipt or acceptance of goods shall be understood as consent to other terms and conditions.
- 1.2 All agreements made between us and the contractor for the purpose of implementing this contract shall be set out in writing.
- 1.3 The requirement of written form within the meaning of these terms and conditions of purchase shall also be satisfied if executed by means of telecommunications such as facsimile or e-mail. Statements issued through our Internet supplier portal, including those made by clicking on the existing buttons, shall be equated with written statements.

2. Order – Confirmation of order, quotation documents

- 2.1 The contractor shall be obligated to immediately confirm our order in writing. In the event that the confirmation of order does not reach us within a time-limit of 2 weeks from date of issue, we reserve the right to cancel the order.
- 2.2 Illustrations, drawings, calculations, samples, models and other documents shall remain our property and shall be kept secret. They shall be used exclusively for production on the basis of our order; they shall be returned to us without further demand and free of charge after the order has been processed.
- 2.3 The contractor may only place sub-orders for the entire or significant volume of production with our prior written consent.

3. Prices, terms of payment, assignment

- 3.1 The agreed prices upon order placement shall be fixed prices and include all necessary incidental services for fulfillment of the contract. Delivery shall be made “DDP (Delivered Duty Paid) our works” or in case of a different destination or production site “DDP stipulated destination or production site”, according to INCOTERMS 2010 respectively, including packaging.
- 3.2 VAT is not included in the price.
- 3.3 We shall make net payments on the third working day of the month after next following receipt of the goods after receipt of an invoice in due form and complete shipping documents.
- 3.4 Our payments shall not imply recognition of the conformity with contract of the performance or correctness of the account.
- 3.5 Without our prior written consent – that cannot be withheld unreasonably - the contractor shall not be entitled to assign his existing accounts receivable against us or to arrange for these to be collected by a third party.

4. Delivery

- 4.1 The delivery time stated in the order is binding. In the event that a concrete date is not quoted, it shall begin on the date the order is issued. Receipt of the goods at our address or at the agreed place of use shall be decisive for adherence to the delivery time.
- 4.2 The contractor shall be obligated to inform us immediately in writing if circumstances arise or become noticeable to him showing that the agreed delivery time cannot be adhered to.
- 4.3 In the case of default in delivery we shall, in addition to fulfillment, be able to claim 0.5% of the order value as a contract penalty for every week in default or part thereof, in total, however, no more than 5% of the order value for exceeding the delivery time without providing any special proof of damage. We undertake to assert reservation of the contract penalty upon final payment at the latest.
- 4.4 The ordered delivery quantities must be strictly adhered to.
- 4.5 The valid index must be stated on the delivery note together with the drawing number.

5. Acceptance, material defects

- 5.1. An express declaration on our part shall be required for acceptance. Our delivery schedules oblige us to only accept released quantities of the first month. Follow-up deadlines shall qualify material scheduling for a maximum of a further two months. Production clearance and the right to material scheduling shall be postponed in each case according to the period if we do not make notification of an alteration. Force majeure, industrial actions, riots, official measures, disruptions in transport and other disruptions arising within our company or with our sub-suppliers and buyers that lead to the restriction or phase-out of our products, shall exempt us from acceptance or liability for damages for the duration and to the extent of their effect, provided that we are not able to avert this disruption by reasonable means. This shall apply accordingly to duties of the supplier.
- 5.2 The acceptance of a belated delivery shall not include waiving further rights and claims; apart from that the legal regulation shall apply.
- 5.3 An objection is raised in good time provided that it is made within 10 calendar days, in case of obvious defects upon handover and in case of hidden defects upon discovery.
- 5.4 In the case of a complaint we shall be entitled to hold back payments to the extent that is reasonably proportionate to the defects complained about.
- 5.5 The limitation of actions for claims for defects shall amount to 24 months as from passing of risk. This shall also apply to repaired or newly delivered parts. In the event that the contractor examines the existence of a defect or remedies a defect with our approval, the expiry of limitation of actions for claims for defects beginning on the date of receipt of the notice of defects by the contractor, shall be stopped for as long as the contractor needs to inform us of the final result of the examination or declares the defect as remedied or refuses to continue with rectification.

5.6 We shall be entitled in full to the statutory claims for defects. Irrespective of this, we shall at our own choice be able to demand remedy of defects or replacement delivery from the contractor. In this case the contractor shall be obligated to bear all necessary expenditures for the purposes of supplementary performance. In urgent cases or if the contractor is in default of his duties, we shall be able to arrange for defects to be remedied at his expense or to stock up otherwise with goods that are free from defects.

6. Liability, indemnity, insurance cover

- 6.1 If the contractor is aware that we resell supplied goods and if the contractor is aware of the country to which the goods are to be delivered, the contractor shall indemnify us from all claims that our buyers can assert against us on account of the delivery of defective goods or performance not otherwise specified in the contract, whether this is on account of legal provisions of German substantive law or on account of legal provisions of substantive law in the country to which the goods were delivered. Indemnity shall not be applicable if the claim of our buyer is based on an omission of duties on our part.
- 6.2 If a claim for damages arising from mandatory law is asserted against us by a third party, the contractor shall indemnify us at first request insofar as he is also directly liable.
- 6.3 The contractor shall undertake to maintain product liability insurance with a reasonable limit of indemnity and to provide proof of this on demand. In the event that we are entitled to further claims for damages, these claims shall not be affected by this.
- 6.4 In the event that we or our buyer carry out measures for the prevention of hazards (e.g recall), the contractor shall be liable insofar as he is legally bound to this end and shall indemnify us in this respect at first request. The contractor shall provide us with proof of recall cost insurance with a reasonable limit of indemnity.

7. Third party rights, industrial property rights

- 7.1 The contractor shall be held responsible that the use or resale of the ordered goods/performance is admissible without violating third party rights including industrial property rights.
- 7.2 In the event of the violation of third party rights, he shall indemnify us at first request from all claims that third parties assert against us on account of legal provisions. This shall only apply to claims on account of foreign legal provisions if the contractor is not only aware that we resell goods supplied by the contractor but also to which country, or in which country we apply the services rendered by the contractor.

8. Reservation of title, provision, compensation for damages

- 8.1 We shall only recognize simple reservation of title of the contractor.
- 8.2 If we make parts available to the contractor, we reserve the title to these parts. Processing or alteration by the contractor shall be carried out on our behalf. If our goods under reservation of title are processed with other articles that do not belong to us, we shall acquire co-ownership of the new item at the ratio of the value of our item to the other processed articles at the time of processing.
- 8.3 If the item we provided is mixed inseparably with other articles that do not belong to us, we shall acquire co-ownership of the new item at the ratio of the value of the item under reservation of title to the other mixed articles at the time of mixing. In the event that mixing is carried out in such a way that the item of the contractor is to be regarded as the main item, it shall be regarded as agreed that the contractor transfers proportionate co-ownership to us; the contractor shall keep safe sole ownership or co-ownership on our behalf.
- 8.4 Insofar as the security interests to which we are entitled in accordance with 8.2 and/or 8.3 exceeds the purchase price by more than 20 % of all our goods under title of retention that have not yet been paid for, we shall, at our option and following a demand by the contractors, be obligated to release the security interests.

9. Manufacturing means and material

- 9.1 We reserve the right to ownership of provided manufacturing means; this also includes manufacturing means that the contractor procures himself for execution of the delivery contract but that is paid for by us. The contractor shall be obligated to use the manufacturing means exclusively for the production of the goods we have ordered. The manufacturing means shall be labelled clearly as follows: "Property of KAMPF Schneid- und Wickeltechnik GmbH & Co. KG". The manufacturing means that belong to us shall be insured at replacement value by the contractor at his expense against fire loss, water damage and damage due to theft. Any failures shall be notified immediately; in the event that he culpably fails to do this, claims to compensation for damages shall not be affected.
- 9.2 Manufacturing means that the contractor orders or procures shall only be scrapped before 15 years have expired after delivery of the last goods with our written consent; in any event, prior written notification of scrapping must be given.
- 9.3 We shall be entitled to reclaim tool costs that we have paid if the contractor is repeatedly not able to provide proof of faultless delivery.
- 9.4 Without our express written consent, manufacturing means provided to the contractor or manufacturing means and materials produced according to our specifications must not be copied, sold, transferred by way of security, pledged, passed on otherwise or used in any way for third parties.

10. Place of execution, court of jurisdiction, applicable law, CISG

- 10.1 Cologne shall be the place of execution and the court of jurisdiction. We shall also be entitled to bring an action against the contractor at his place of general jurisdiction.
- 10.2 Substantive law of the Federal Republic of Germany shall apply exclusively to all legal relations between the contractor and us; the UN Convention on Contracts for the International Sale of Goods (CISG) shall not be applicable. INCOTERMS 2010 shall apply to the interpretation of the delivery clause