

# GENERAL TERMS AND CONDITIONS OF PURCHASE

FOR SUPPLIERS





# General Terms and Conditions of Purchase Brückner Maschinenbau GmbH and Brückner Servtec GmbH

#### 1. General

All orders from Brückner Maschinenbau GmbH and Brückner Servtec GmbH (respectively "Brückner") shall be governed exclusively by these General Terms and Conditions of Purchase ("GTP"). This also applies in case Brückner does not expressly object to the conditions of Supplier. Other conditions shall only become binding upon written acknowledgement by Brückner. These GTP shall also apply to all future business transactions between Brückner and Supplier (Brückner and Supplier hereinafter singly referred to as "Party" and jointly as "Parties".

## 2. Orders, conclusion of contract

- (a) Orders and agreements as well as supplements and changes to such orders and agreements shall only be binding if they are issued or confirmed by Brückner in writing. Orders placed verbally or by telephone always require a subsequent written confirmation.
- (b) If Supplier does not accept an order in writing within 14 days of receipt, Brückner shall no longer be bound by the order.
- (c) The use of subcontractors by Supplier shall only be permitted with prior written consent of Brückner.

# 3. Delivery

- (a) Unless otherwise agreed, deliveries shall be made (FCA). The risk of deterioration and accidental loss of the deliveries shall remain with Supplier until dispatch at the place of delivery.
- (b) The consignment shall be accompanied by a delivery note/packing list. In case the place of use deviates from the Brückner address, a copy of the delivery note shall be sent to Brückner when the delivery is dispatched.

#### 4. Production equipment, provision of materials

- (a) All drawings, models, samples, calculations and other order documents provided for the execution of orders remain the property of Brückner and shall not be made accessible to third parties without the written consent of Brückner; they shall be returned to Brückner free of charge upon request. The same applies to material delivered free of charge, which is residual after completion of the order and to tools, devices and the like provided on loan.
- (b) The processing of material into substances or the assembly of parts is carried out for Brückner. Brückner shall become co-owner of the products made of material and other things. The value of the co-ownership shall be measured in the ratio of the value of the material to the value of the entire product.

# 5. Prices, Terms of Payment, Assignment, Retention of Title

- (a) The prices are quoted free place of use, including packaging and freight costs, which, however, shall be shown separately. The type of pricing shall not affect the agreed place of performance.
- (b) Unless otherwise agreed, payment shall be made after contractual delivery / performance or, if acceptance is required, thereafter and receipt of an auditable invoice, within 30 days with a 3% discount or within 60 days without a discount (net cash).
- (c) An assignment of claims against Brückner shall be excluded unless expressly permitted in writing.
- (d) A delivery of goods under a simple retention of title (einfacher Eigentumsvorbehalt) is accepted by Brückner. A prolongation or extension of the retention of title (verlängerter Eigentumsvorbehalt) shall be excluded.

# 6. Performance and delivery dates

- (a) The agreed delivery dates shall be binding.
- (b) If Supplier recognizes that an agreed date cannot be met, he shall inform Brückner immediately in writing, stating the reasons and the expected duration of the delay. After the third working day, Supplier shall pay Brückner a contractual penalty of 0.25% of the agreed price for the delayed delivery/performance for each additional working day of delay, but no more than a total of 10% of the price of the respective delivery/performance. Partial deliveries shall not be permitted, unless otherwise agreed.

# 7. Warranty claims

- (a) Brückner shall report obvious defects in the delivery/performance in writing immediately as they are determined in the ordinary course of business. Supplier waives the right to raise objection of delayed notice of defects.
- (b) Claimed defects shall be remedied by Supplier immediately and free of charge at Brückner's discretion by repair or replacement of the defective goods, whereby Supplier shall bear all costs incurred in remedying the defect (esp. (de-)assembly, freight and packaging costs, as well as insurance, customs duties and other public charges), as well as costs for tests and/or technical acceptances. Minor defects can be remedied by Brückner at the expense of Supplier without prior coordination. The same applies if unusually high losses are imminent.
- (c) If claims are made against Brückner because of a defective product due to violation of official safety regulations or due to domestic or foreign product liability regulations attributable to the goods of Supplier, then Brückner is entitled to demand compensation for such damage, insofar as it is caused by goods/services delivered by Supplier. This shall also include the costs of a recall.
- (d) Unless expressly agreed otherwise, the warranty period is three years. It begins with acceptance of the goods as in accordance with the contract. For repaired or newly delivered parts, the warranty period begins anew with fulfillment of the repair or subsequent delivery.







(e) Further contractual or statutory claims remain unaffected.

# 8. Industrial property rights

- (a) Supplier warrants that the delivered goods or services are free from intellectual property rights of third parties. In the event of an infringement of industrial property rights Supplier shall be obliged to compensate Brückner for all damages incurred by Brückner or third parties for the duration of their validity. In particular, Brückner shall also be entitled to obtain permission to use the property right for itself and its customers at the expense of Supplier.
- (b) If property rights of Supplier are required for Brückner's use of the goods, Supplier grants Brückner the worldwide, irrevocable and free-of-charge right to use, repair or replicate goods or services delivered within the scope of an order itself or through third parties.
- (c) If an order contains development work that is compensated by Brückner by one-off payment or parts price, all development results shall become the property of Brückner. As far as this is not legally possible, Supplier grants Brückner the irrevocable, exclusive, free of charge, worldwide license with the right to grant sublicenses.
- (d) If an order is based on a joint development by Brückner and Supplier, all development results shall be the property of Brückner.

#### 9. Force majeure

For the duration of its effect, force majeure shall excuse the Parties from performance of their contractual obligations. If Supplier is affected by force majeure, Brückner shall be entitled, at its discretion, (a) to agree on an extension of the delivery time or (b) to cancel the order or part thereof at any time free of charge.

# 10. Confidentiality

Supplier has to keep any business and trade secrets acquired as a result of the collaboration confidential, not be made accessible to third parties and shall not use them without authorization for own business purposes - even after the Contract has elapsed. Such restrictions shall not apply to information which (a) demonstrably is generally known, (b) was already known upon receipt, without Supplier breaching an obligation of secrecy, or (c) which was developed by Supplier without using information that had to be kept confidential.

# 11. Compliance to regulations

- (a) As far as available, Supplier shall carry out deliveries and services in accordance with an individually agreed quality agreement, otherwise in accordance with the current quality specification of Brückner (Quality Guideline). In addition, the current recognized rules of technology shall apply.
- (b) Supplier shall comply with all legal and official regulations as well as with recognized international minimum standards. In particular, he shall not participate in, or support bribery or corruption, human rights violations, discrimination, forced or child labor or environmental offenses ("Compliance Regulations"). This also expressly applies to those suppliers who are not already obliged to comply with Compliance Regulations under the provisions of a supply chain law.
- (c) Supplier shall undertake that all (sub-)suppliers, subcontractors and agents engaged by him who are involved in any way in the manufacture of the delivery item or in the performance to Brückner shall comply with relevant Compliance Regulations. Therefore, Supplier shall carry out risk analyses and take appropriate preventive actions immediately if he identifies a risk in the course of a risk analysis.
- (d) The Supplier shall immediately clarify any suspicion of a violation of compliance regulations. He shall also inform Brückner about the measures taken and, in justified cases, disclose the affected supply chain; this includes measures taken to prevent future infringements.
- (e) The Supplier shall enable Brückner or a third party obliged to confidentiality ("auditor") to verify compliance with the Compliance Regulations. Upon request, he shall immediately provide information relating to the supply chain, provide all necessary information and documents and enable the facts to be inspected and investigated on the spot.

## 12. Withdrawl and termination

- (a) In the event of a breach of essential contractual obligations by the other Party which are not remedied despite a written warning, each Party is entitled to terminate the contract without notice or to withdraw from the order in whole or in part. For Brückner, these can be consecutive, significant late deliveries, as well as repeated, significant poor deliveries or significant violations of Compliance Regulations.
- (b) If proceedings comparable to insolvency proceedings are applied for and/or opened against the assets of Supplier, Brückner is entitled to withdraw from the Contract in whole or in part, without claims against Brückner being able to be derived from this.

# 13. Other provisions

- (a) Should any provision of these GTP be void, the effectiveness of the remaining provisions shall remain unaffected thereby. In such a case the Parties shall replace the ineffective provision by a valid provision that meets as well as possible the meaning of the ineffective provision or the intention it pursues.
- (b) Unless agreed otherwise, the place of performance for the delivery obligation is the place specified in the order.
- (c) To the extent permitted by law, the place of jurisdiction is Munich. However, Brückner is entitled to assert its rights in any other competent court. The laws of the Federal Republic of Germany shall apply to the exclusion of its







conflict of law provisions. The UN Convention on Contracts for the International Sale of Goods (CISG) shall be excluded.

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