



**Purchasing Conditions
of Jebens GmbH, Daimlerstrasse 35-37, 70825 Korntal-Münchingen**

Valid from 01 January 2013

Note: This is a translation of the German version. In cases of uncertainty or conflict, the German version shall prevail.

I. General provisions

The following provisions apply vis-a-vis the suppliers of all deliveries and services provided to us, insofar as not explicitly agreed otherwise in writing. General terms and conditions of suppliers are inapplicable to us even if we have not explicitly contradicted them. The acceptance of deliveries and services does not imply an agreement with the supplier's general terms and conditions.

II. Orders and order confirmations

1. Orders are only binding if provided in writing, also by telex. Order standards and drawings specified by us in individual cases are binding, including tolerance indications. By accepting the order, the supplier acknowledges having informed itself about the scope of the service and manner of execution by viewing the existing plans. If the order itself or the documents, drawings and plans provided by us feature evident errors, spelling mistakes or calculation errors, these are not binding for us. The supplier is required to inform us of such errors so that our order can be corrected and renewed. This also applies to missing documents or drawings.
2. Orders are only binding for us if they are confirmed in writing within a week of their receipt by the supplier, stating a binding delivery date, insofar as not agreed otherwise in the individual case. In the event of us receiving the supplier's confirmation after this deadline, we are no longer bound to the order.
3. Departures from our order only count as agreed once explicitly confirmed by us in writing. This also applies to post-hoc contract amendments.

III. Drawings, means of production, similar documents; semi-finished and finished products

Drawings, means of production (e.g. tools, patterns, models), brands and presentations or similar, as well as finished and semi-finished products provided by us remain our property and must only be surrendered/transferred to third parties or otherwise encumbered with our explicit previous approval in writing. If not agreed

otherwise in the individual case, they need to be returned to us free of charge immediately upon the fulfilment of the order without specific prompting. Products manufactured and/or labelled with aforementioned means of production, brands and presentations provided by us and semi-finished products, finished products or other items belonging to us must only be surrendered/transferred to third parties or otherwise encumbered with our explicit previous approval in writing. Section XI. applies correspondingly.

IV. Delivery and performance, periods and deadlines

1. Agreed delivery periods and delivery dates are binding. The goods must be received at the place of receipt specified by us within the delivery period and/or by the delivery date.

2. If the agreed delivery date is not complied with, the supplier enters into default. In the absence of other agreements, the supplier enters into default if it fails to comply with the reasonable grace period set thereafter according to the circumstances despite a warning and setting of this grace period. The supplier is required to compensate us for the damage caused by the delay. We reserve the right to charge an additional contract penalty for insufficient fulfilment amounting to 0.5 % of the order total for every complete day of delay, but 5.0 % of the order total as a maximum. We are moreover entitled to withdraw from the contract and/or demand compensation upon an unsuccessful warning and setting of a grace period.

3. If delays are to be expected, the supplier is required to immediately inform us accordingly and obtain our decision about maintaining the order. The unconditional acceptance of a belated delivery or service comprises no waiver of the claims due to us because of the belated delivery / performance.

4. Partial deliveries are principally inadmissible unless we have explicitly agreed to them in writing beforehand.

5. We are not required to accept goods or services before the expiry of the delivery date. If goods are delivered before the agreed delivery date, we reserve the right to return them at your expense. The invoice will in this case also not be paid until the agreed due date.

V. Shipment

1. Any costs arising from non-compliance with the shipment regulations below must be borne by the supplier. The same applies to extra costs arising from transports needing to be accelerated for reasons the supplier is answerable for. We will only recognize additional transport insurance if it has been agreed with us beforehand in writing.

2. Road transports will only be accepted in our plant on Monday to Friday, 6 a.m. to 6 p.m.

3. Deliveries are provided free of charge at the supplier's expense to the place of receipt specified by us. If we need to cover the transportation charges by way of exception, the supplier is required to choose the mode of transport specified by us, or otherwise the mode of transport and delivery that is least expensive for us.

4. Two copies of the shipping documents must be provided to us immediately after dispatch for every shipment. Partial deliveries need to be explicitly identified as such in the shipping documents.

5. Shipments are sent at the supplier's own risk. The risk of any and all deterioration, including accidental destruction, remains with the supplier until the delivery to the agreed shipping address and/or place of use. We are not obliged to handle truckloads before the arrival of the delivery documents.

6. Packaging is included in the price. If something else is agreed by way of exception, the packaging needs to be invoiced at cost. Suppliers need to select the packaging we specify, and ensure that the packaging protects the goods from damage. Returns need to be credited at two thirds of the charged price as a minimum.

7. Our order number, article number, cost centre and, insofar as noted in the order, the place of delivery need to be stated in dispatch notes, consignment notes, invoices and all correspondence with us, along with the supplier's article number. The supplier is responsible for all consequences of non-compliance with this requirement.

VI. Quality, acceptance and complaints

1. Suppliers need to comply with all technical data required by us for their deliveries, the respectively applicable accident prevention and VDE regulations, applicable legal regulations and latest recognized technical rules.

2. Suppliers are required to perform a quality inspection of a suitable type and scope for assuring the quality of their deliveries.

3. The values determined in our incoming goods inspection and quality inspection are decisive for dimensions, quantities and qualities. If over five percent of the delivered parts exhibit similar faults (serial defects), we are entitled to reject the entire quantity delivered as defective and to assert the legal and contractually agreed claims for defects in its regard.

4. The supplier waives the objection of belated complaint and unconditional acceptance.

VII. Prices and payment

1. The agreed prices are net prices and do not include the respectively applicable statutory VAT. They exclude additional claims of any kind.

2. The agreed prices are understood as including packaging, transportation costs and other expenses.

3. If prices are agreed by weight, the net weight determined on our part applies for the invoicing.

4. Invoices need to be provided to us separately, i.e. not together with the delivery. They need to include the order number, order date and account number the payment needs to be made to.

5. We pay automatically within 14 days of the Jebens GmbH invoice receipt date stamp with a 2 % discount on the gross invoice amount, or net within 30 days. The date of our bank receiving the payment order counts as the payment date. If the goods are received after the invoice, the payment period starts with the date of goods receipt. The method of payment is at our discretion. Cash on delivery cannot be paid. If a new invoice is issued, please note that the payment terms only apply from the receipt of the newly issued invoice.

6. We are entitled to demand a bank guarantee with advance payments.

7. Claims against us can only be transferred with our previous written consent.

VIII. Warranty and liability

1. Deliveries or services need to comply with the agreed quality and suit the contractually required purpose at the passing of risk. If a supplier's delivery or performance needs to comply with plans or drawings provided by us or similar special requirements, meeting these requirements counts as explicitly warranted.

2. The supplier will be notified of obvious defects and/or poor delivery performance upon their discovery under the circumstances prevailing in the due course of business. No. V 4 applies correspondingly.

3. If defective goods are delivered, the supplier will be given an opportunity for rectification by rework or subsequent delivery at our option. The supplier can reject the rectification method we choose under the conditions of Civil Code § 439.2. We are entitled to reduce the purchase price or withdraw from the contract if we have unsuccessfully set a reasonable period for rectification beforehand. In urgent cases, we are entitled to perform the rectification ourselves, or have it performed by a third party, after notifying the supplier. The supplier is required to refund all expenses arising for us in connection with the discovery of faults and their remedy, also insofar as incurred by us internally, particularly inspection costs, installation and deinstallation costs, transport costs, travel expenses, labour and material costs. If necessary for urgent operational reasons on our part and reasonable for the supplier, the supplier is required to provide the rectification of defects or new deliveries in multi-shift operation or by working overtime or on holidays.

We are moreover entitled to demand compensation for damages. This applies in the event of a breach of duty relating to major as well as secondary obligations. In the event of damage compensation, the supplier is required to compensate us for damages suffered by us as a direct and/or indirect consequence of a defect. This also includes compensation for consequential damages. Suppliers are principally only liable to compensate damages culpably caused by them. Upon the assumption of a procurement risk and/or guarantee, suppliers are liable regardless of negligence or fault.

4. The principal warranty period for material defects and defects of title is three years from the handover or delivery or, insofar as an acceptance procedure has been agreed, from the acceptance of the delivered items. It is extended accordingly if longer warranty periods are imposed on us by our clients and we have informed the supplier accordingly in the order. If claims are asserted against us based on a recourse within the meaning of Civil Code § 478, the periods laid down there apply.

5. In the event of defects of title, the supplier indemnifies us against possible third-

party claims.

6. The limitation period for parts repaired in the warranty period restarts on the date from which the rectification was performed.

7. Any costs arising for us as a consequence of defective delivery or other poor performance, especially transport, material and labour costs, must be refunded by the supplier.

8. If a defect is discovered within six months from the passing of risk, it will be assumed to have been in existence at the time of the passing of risk already.

9. If claims are asserted against us under product liability or similar liability principles under foreign law, the supplier is required to compensate us for any damages arising for us insofar as they are attributable to the supplier's deliveries and/or conduct. The supplier waives the objection of time limitation with regard to these claims for as long as we can be held liable on our part.

Property rights

The supplier guarantees that deliveries or our use of them will not infringe upon patents or other third-party property rights. The supplier indemnifies us and our customers from all claims from the use of such property rights. This does not apply insofar as the supplier has manufactured the delivered goods on the basis of drawings, models or equivalent descriptions or orders provided by us without knowing or being able to know in connection with the products manufactured by the supplier that they infringe upon property rights. The supplier is explicitly prohibited from contacting our customers directly or competing with us.

IX. Force majeure

Wars, civil wars, export restrictions and/or trade restrictions based on a change in the political circumstances as well as strikes, lockouts, operational breakdowns, operating restrictions and similar events making contract fulfilment impossible or unreasonable for us count as force majeure and release us from the requirement of timely acceptance for their duration. The contracting parties are required to mutually inform one another of this and adjust their obligations to the changed circumstances in good faith.

X. Safekeeping / ownership

Provided materials (especially semi-finished and finished products as per no. III. above) remain our property. They need to be stored separately as such and must only be used for our orders. The supplier is liable for their depreciation in value or loss even if not at fault. The items manufactured using materials provided by us become our proportional property in the respective production stages, with the supplier insofar consenting to the transfer of ownership to us in advance insofar as the supplier is due property rights relating to these items and objects. The supplier keeps these items for us with the costs of safekeeping the items and materials being kept for us already included in the purchase price.

XI. Trade secrets

Suppliers are required to treat all business or technical details that are not public knowledge and become known to them through the business relationship as trade secrets. Sub-suppliers need to be obliged accordingly.

XII. Final provisions

1. Verbal side agreements must be in writing to be effective.
2. Transferral of the supplier's rights and obligations from the contract concluded with us requires our previous written consent to be effective.
3. Should one of the provisions be or become ineffective, the remaining provisions will remain unaffected by this.
4. The place of fulfilment is the place of delivery or place of performance prescribed by us, and Stuttgart for payments.
5. The place of jurisdiction for all disputes arising from the contractual relationship is Stuttgart if the supplier is a merchant, legal entity or special fund under public law. We are also entitled to file suits at the supplier's principal place of business.
6. German law applies exclusively, excluding international sales law and the referral regulations under German International Private Law.