

## **Standard Terms and Conditions of Purchase**

### **1. Scope**

The following Standard Terms and Conditions of Purchase shall apply exclusively to all orders from W. Müller GmbH, referred to below as Müller.

The Supplier accepts their exclusive application with the conclusion of the contract. The following terms and conditions shall apply to all business relations between Müller and the Supplier, even if their application was not expressly agreed again.

Other contrary terms and conditions from the Supplier or terms and conditions that deviate from these terms and conditions of purchase shall not be a component part of this contract even if Müller does not explicitly reject them and carries out deliveries to the Buyer without reservations in the knowledge of contrary deviating terms and conditions of the Supplier.

Changes or supplements to the following terms and conditions of purchase, including this clause, must be agreed in writing to be valid.

### **2. Contract award**

2.1 Offers from the Supplier are binding. Orders must be confirmed in writing. If the Supplier does not accept the order within a time limit of two weeks from receipt Müller shall be entitled to revoke.

2.2 Müller reserves title to drawings, sketches and other records. Drawings, sketches and other records may only be used for the contractually agreed purpose and shall be included with the shipment in the original.

### **3. Prices**

The prices shown in the order shall be binding. Prices are understood for deliveries within Germany as free of freight and packaging to the address for deliveries shown in the order. In case of deliveries outside Germany prices are understood as freight-free insured in accordance with Incoterms 2000.

### **4. Terms of payment**

4.1 The Supplier shall be obliged to issue an invoice in duplicate for each order showing the order number and in accordance with the statutory provisions, as amended. Invoices that are issued without the order number and that are not in accordance with the statutory provisions shall be deemed not to have been issued.

- 4.2 Müller shall pay invoices within 14 days of receipt with 3% discount or within 30 days of receipt net.
- 4.3 Müller may set off against the Supplier's claims or claim a right to withhold with all claims that exist against the Supplier.
- 4.4 Payment of an invoice shall not mean waiver of guarantee rights with regard to the delivery and does not exclude a subsequent notification of defects.

## **5. Delivery**

- 5.1 Müller's written order shall apply to the content and scope of deliveries.
- 5.2 The delivery dates shown in the order shall be binding.
- 5.3 The Supplier shall notify Müller without delay of all known or expected delays to the fulfilment of its delivery obligations with an indication of the probable duration of the delay and of the measures that will be taken to overcome the delay.
- 5.4 Müller shall be entitled to all statutory rights in the event of a delay to delivery. After expiry of a period of grace of two weeks Müller shall be entitled to make covering purchases at the Supplier's expense or to withdraw from the contract and demand damages instead of fulfilment.

## **6. Guarantee**

- 6.1 The Supplier guarantees that the delivery item conforms to the specifications agreed in the order, consists of the agreed material, is free of all material, manufacturing and design defects in accordance with the state of the art at the time of the order and of defects that eliminate or reduce the suitability for the standard or contractually agreed use or eliminate or reduce the value of the delivery item and that it conforms to all statutory and official permits.
- 6.2 In case of defective delivery Müller shall be entitled to the statutory guarantee rights. The Supplier shall eliminate the defect to the delivery item or deliver a new delivery item free of defects at Müller's option.
- 6.3 With regard to the validity of a notification of a defect Müller shall not be obliged to comply with s. 377 of the German Commercial Code. Müller shall notify defects to the Supplier in writing within two weeks as soon as they can be detected in accordance with the circumstances of ordinary business. Insofar the Supplier waives the objection of failure to carry out an incoming goods inspection and delayed notification of defects and of the defence of the statute of limitations within a time limit of 24 months from the time the risk passes.
- 6.4 Müller shall be entitled to remedy the defect itself at the Supplier's expense in case of imminent danger, if the situation is especially urgent or the Supplier does not comply with Müller's request for subsequent performance without delay.

6.5 The guarantee period shall be 48 months from the time the risk passes. The guarantee period shall start again when the risk passes in case of parts replaced in the framework of remediation of faults.

## **7. Liability**

If Müller is sued by its customers or third parties for damages under product liability for whatever legal reason and whether on the basis of German or foreign law, the Supplier shall indemnify Müller from such claims on first demand.

## **8. Proprietary rights of third parties**

8.1 The Supplier guarantees that the proprietary rights of third parties are not infringed by the delivery or use of the delivery item.

8.2 Insofar as Müller is sued by a third party because of the illegal use of the delivery item, the Supplier shall indemnify Müller from claims by third parties on first demand, unless the Supplier proves that it is not at fault.

## **9. Reservation of title**

Müller does not recognise any extended reservation of title. Müller recognises a simple reservation of title only to the extent that it permits Müller to sell, process or mix the delivery item in the framework of ordinary business operations.

## **10. Place of performance and legal venue**

10.1 The place of performance for all claims arising from the contract concluded between Müller and the Supplier is Müller's registered office in Troisdorf.

10.2 The exclusive legal venue for all disputes under or in connection with the contract is Siegburg. Without prejudice to this agreement on the legal venue Müller may also sue the Supplier at the location of its place of business.

10.3 The contractual relationship shall be subject to the laws of the Federal Republic of Germany. The uniform UN Sales Convention shall not apply.

10.4 If any provisions of the contract are or become invalid in whole or in part the remainder of the contract shall remain valid. This shall also apply if a loophole should be found in the contract. The place of a wholly or partially invalid provision shall be taken, or a loophole in the contract filled, by a suitable provision that, as far as legally possible, most closely approaches what the contract parties wanted or would have wanted in the purport of the contract had they thought of the point.