



Terms and Conditions of Purchase

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m-tech gmbh
Untere Au 3
74670 Forchtenberg
Germany

Tel. +49 7947 939-0
Fax +49 7947 939-19
E-Mail info@m-tech-gmbh.com
Internet www.m-tech-gmbh.com

§ 1 Scope of Validity

(1) Our Terms and Conditions of Business shall apply exclusively. Terms and Conditions of the Supplier contradictory to or deviating from our Terms and Conditions of Purchase shall not be recognized.

(2) Our Terms and Conditions of Purchase shall only apply to registered traders within the meaning of § 310 of the German Civil Code (BGB).

(3) Our Terms and Conditions of Purchase shall also apply for all future business with the Supplier.

(4) The following Terms and Conditions of Business shall apply for deliveries of moveable goods (§ 651 of the German Civil Code - BGB). With the exception of Sections 4, 5 and 9, the following Terms and Conditions shall apply for services which also include repair and servicing work, with the relevant legal provisions applying in the aforesaid cases.

§ 2 Order Placement

An order shall only be binding if it was issued in writing, by telefax or by any other telecommunication means; telephonic orders shall only be binding if they are subsequently confirmed by m-tech in writing. An order confirmation by the Supplier is not required. Any possible additional agreement must be subsequently confirmed in writing by m-tech, whereby a telefax or e-mail is sufficient.

All orders shall be governed by these General Terms and Conditions of Purchase. If general terms and conditions of business of the Supplier are contradictory to the General Terms and Conditions of Purchase of m-tech, the General Terms and Conditions of m-tech shall apply unless this is refuted by the Supplier in writing within 3 days of receipt of the order in writing, by telefax or e-mail. The transmission of other general terms and conditions of business or any other reference to Supplier's General Terms and Conditions of Business shall not suffice. Any contradiction is invalid if the Supplier commences with the exclusion of the order and if it has notified this to m-tech. If there is a quality assurance agreement, a skeleton agreement or an individual agreement, these shall at all events have priority if they deviate from the Terms and Conditions of m-tech or the general terms and conditions of the Supplier.

§ 3 Payment Terms / Prices

(1) Unless otherwise agreed, invoices of the Supplier shall be payable by m-tech within 14 days of receipt of the relevant goods and an invoice with 2 % cash discount or within 30 days of receipt of the relevant goods and invoice net with no deduction.

The due date of payment shall presuppose a defect-free delivery.

The Supplier shall be obliged to forward invoices to m-tech in duplicate.

Invoices of the supplier must include the order number of m-tech together with the article number of m-tech. If invoices are not sent in duplicate or if the aforesaid numbers are not included on the invoice or if the numbers are incorrect, m-tech shall reserve the right to return such invoices to the Supplier unpaid for and appropriate amendment or correction. The payment term in such cases shall only commence upon receipt of the amended or corrected invoice.

(2) Changes as a result of subsequent cost increases shall be excluded unless otherwise agreed.

(3) Any additional or reduced price arising as a result of execution changes shall be notified to m-tech immediately in writing. The additional or reduced price shall require written confirmation by m-tech prior to the relevant production and delivery of the order item in order to be valid.

§ 4 Supply Conditions

The ordered goods shall be delivered to the delivery address specified in the order in accordance with "CIP" INCOTERMS (Carriage and Insurance Paid). If the Supplier delivers from abroad, the "DDP" INCOTERM shall apply (Delivered Duty Paid). Delivery shall be made in accordance with the GGVS conditions (Regulations on the transport of dangerous goods by road). Delivery notes of the Supplier must show the order number of m-tech or the article number of m-tech, the foreign trade number, the weight of the components and the country of origin.

§ 5 Transfer of Risk / Place of Performance

The risk of fortuitous loss or a fortuitous deterioration shall pass to m-tech upon delivery of the ordered goods to the delivery address specified in the order. The place of performance is the domicile of the delivery addressee specified in the order.

§ 6 Delivery Period / Delivery Delay

(1) The delivery period stated in the invoice is fixed.

(2) The Supplier shall be in delay with no reminder being required if the delivery period referred to in Section 1 above is fixed, is based on calendar dates, or is based on calendar dates dependent upon a certain occurrence (e.g. receipt of the order) and if the delivery period is reasonable and appropriate.

(3) If the contracting parties expressly agree a ruling deviating from Section 1 and if performance by the Supplier is due, it shall be in delay upon receipt of a reminder by m-tech.

(4) In the event of delivery delay, m-tech shall be entitled to compensation for delay damages. m-tech shall be entitled to demand a flat-rate delay damage equivalent to 2.5 % of the delivery value for each full calendar week of delay but not more than 10 % of the total delivery value. Additional claims specified by law shall be reserved. The Supplier is entitled to submit proof that a lower level of damages has been incurred as a result of the delay.

Acceptance of a delayed delivery or service shall not constitute a waiver of compensation for the delay damage.

(5) If the Supplier is granted a reasonable period of grace for post-performances, m-tech shall be entitled to withdraw from the contract at the end of the aforesaid period and to demand compensation instead of delay.

(6) Withdrawal from the contract shall not presuppose blame or negligence on the part of the Supplier.

§ 7 Obligation to Notify Defects

m-tech or the direct delivery addressee shall be obliged to examine the goods for quality and/or quality deviations within a reasonable period of time. In the event of visible defects, the corresponding defect notification shall be sent on time if it is received by the Supplier within 10 working days (5-day week) and within 2 weeks of the defect identification in the case of hidden defects.

§ 8 Description of the Ordered Goods

If the Supplier receives drawings, samples, specifications or any other regulations from m-tech, the aforesaid shall be exclusively binding for the type, features and execution of the ordered goods or the service to be provided. If m-tech requires reference samples or initial samples, serial production may only be commenced after m-tech has issued its written approval or release of the sample or sample series.

If the Supplier has reservations with regard to the specifications of m-tech, these shall be immediately notified to m-tech in writing before the commencement of serial production. In

such cases, serial production may only be commenced on the strength of an additional written instruction by m-tech.

§ 9 Guarantee / Guarantee Period / Guarantee Performance

(1) The attention of the Supplier must be drawn to the fact that the ordered goods may also be included in m-tech products and the unlimited proper functioning of the ordered products has to be warranted therefore. In this matter, the Supplier shall inform the producer or sub-contractors accordingly if it has not produced the ordered goods itself.

(2) The Supplier shall guarantee the flawlessness of its delivered products for a period of 36 months commencing on the acceptance date of the ordered goods, with the aforesaid flawlessness also particularly including unlimited proper functioning and the agreed warranted qualities.

(3) The acceptance date is the date as from which m-tech or the delivery addressee has the possibility of examining the ordered goods within the scope of the ordinary course of business at m-tech or the delivery addressee.

(4) m-tech shall be entitled to the unabridged statutory guarantee period. m-tech shall be entitled to post-performance, namely either rectification of the defects or delivery of flawless goods.

These also include costs, which are incurred via the creation of defect goods made by connecting, mixing or processing with the item ordered.

If m-tech has granted the Supplier a reasonable period of grace, m-tech shall be entitled to unabridged guarantee claims in accordance with §§ 437, 440 and 441 of the German Civil Code (BGB) after the end of the period of grace, whereby attention is drawn to the right to a price reduction, the right to withdraw from the contract and the right to demand compensation instead of performance or instead of the right to demand compensation for abortive expenses.

Any guarantee limitations or restrictions in the Supplier's general terms and conditions of business shall not be accepted.

The parties are in agreement that proper functioning within the meaning of the above terms and conditions only applies if the relevant accident prevention regulations are observed.

§ 10 Product Liability

(1) If claims are raised against m-tech by third parties in connection with product liability, the Supplier shall, upon first request, be obliged to indemnify m-tech against all and any

compensation claims within the scope of its own obligations under the German Product Liability Act. This shall also apply for any damages incurred as a result of a recall campaign.

(2) The Supplier shall undertake to maintain a product liability insurance with a cover amount of EURO 5 million for personal injuries/property damages. The Supplier shall document the aforesaid cover amount to m-tech upon request.

§ 11 Reservation of Title

If m-tech provides the Supplier with parts or components, m-tech shall retain its title thereto. Processing or conversions by the Supplier shall be made exclusively on behalf of m-tech. If the aforesaid parts or components are processed or intermingled, m-tech shall acquire the co-ownership of the new goods in the ratio of the value of the parts or components supplied by m-tech to the other processed items at the time of processing.

§ 12 Third Party Rights and Property Rights

The Supplier guarantees that all deliveries and services are free of third party rights if it nonetheless executed the order even if it drew attention to such rights upon receipt of the order or at a later date.

The Supplier guarantees m-tech in particular that no third party rights whatsoever are being infringed by delivery of the ordered goods. If m-tech becomes aware of any such legal infringement or third party rights or if claims can be made against m-tech by third parties directly on account of such legal infringements, m-tech shall be entitled to insist that the Supplier immediately rectifies the legal infringement and the third party rights and/or indemnifies m-tech against all claims which are made as a result of a possible legal infringement and corresponding claims by third parties. If m-tech has set the Supplier a reasonable period of grace in the aforesaid respect, m-tech shall be entitled to withdraw from the contract after the end of the aforesaid period and to demand compensation instead of performance or compensation of abortive expenditure.

§ 13 Preliminary Work

Unless otherwise agreed, preliminary work on drafts, calculations and offers, etc., shall remain free of charge for müller even if no order is placed.

§ 14 Secrecy

The Supplier shall be obliged to treat all provided illustrations, drawings, calculations and other documents and information in strict confidence and shall maintain secrecy thereon. Third parties may only disclose business and operating secrets with the express prior consent of m-tech.

The aforesaid secrecy obligation shall also apply after the end of the respective delivery contract.

§ 15 Legal Venue

(1) The place of performance is the domicile of m-tech or the agreed delivery address.

(2) Either the Künzelsau District Court or the Heilbronn Regional Court are, if legally possible, hereby agreed as the legal venue for all obligations in connection with the present contract depending on the factual competence.

§ 16 Applicable Law and Contract Language

The laws of the Federal Republic of Germany shall apply for all legal disputes directly or indirectly arising from the present contractual relationship.

The provisions of the "United Nations Convention on Contracts for the International Sale of Goods (CIGS)" is excluded.

The contract language is German.

§ 17 Partial Invalidity of the Terms and Conditions of Purchase

If individual provisions of the present Terms and Conditions of Purchase are or become invalid, the validity of the other provisions shall not be affected thereby. Invalid provisions shall be replaced by valid provisions which come closest to the original intention of the invalid provision.