

Terms and conditions of purchase

Provendör GmbH

§1 General terms

For legal relations between the supplier and the Provendör GmbH exclusively the following terms and conditions of purchase apply. Supplier's terms and alternative agreements only apply when Provendör has acknowledged them in writing. Neither the silence of Provendör nor the acceptance of services, products or the payment thereof means acknowledgement.

§2 Tendering

All quotations shall be binding for the supplier and free-of-charge for Provendör.

For each inquiry the supplier receives from Provendör it is subject to his responsibility to make sure that:

- all necessary specifications and documents are enclosed,
- the requirements are complete and unambiguously,
- all production and costing relevant parameters are known and documented,
- the requirements in full measure are fulfilled. In the supplier's offer all the required specifications shall be identified and confirmed. All possible deviations are to be clearly marked in the supplier's offer.

If the documents provided by Provendör are insufficient or misleading, it is the supplier's responsibility to contact Provendör. By clarifying all outstanding issues in advance of tendering the process of evaluation and awarding the contract is significantly simplified.

Having considered all the relevant factors of price and costing the supplier confirms in his quotation a price validity of 12 months starting from the first order. Subsequent price increases may, apart from raw material price fluctuations, not be accepted. For subsequent price adjustments only the net weight parts is used. Quotations without these price validity cannot be considered for contract awarding.

All non-recurring costs, for example for tools, are quoted separately. When in doubt, the prices are including VAT.

All documents provided by Provendör remain property of Provendör and may not be reproduced or given to third parties without written permission (see non-disclosure agreement).

§3 Order, order confirmation, order changes

All orders or changes by Provendör are only binding if made in writing, via email or fax.

Each order or any change by Provendör is to be confirmed in writing by the supplier within 2 working days from date of order or change. If within 2 working days no confirmation or other written response happens, the content of the order or the order change applies as fully accepted by the supplier.

§4 Technical documents

The technical documentation shows the basis of cooperation between Provendör and the supplier. Provendör refers to them for inquiries, orders, amendments and other agreements.

The supplier and its subcontractors are obliged to work exclusively according to the latest technical documentation released by Provendör. This may only be dispensed in exceptional cases, upon written request by the supplier and with the written confirmation by Provendör (e.g. on the order).

The latest documents shall be sent with the order or any subsequent change by Provendör.

§5 Delivery

Deliveries only go to the delivery location specified in the order.

Deviations from our orders are only acceptable with our prior written permission.

Agreed dates and deadlines are binding. Significant for compliance with the delivery date or delivery period is the

arrival of goods at the delivery location specified in the order and delivery documents. If agreed deadlines are not complied with, statutory provisions apply.

If the supplier anticipates difficulties with production, the adherence to the delivery date or similar circumstances that could prevent him from delivering in time or the agreed quality, he shall immediately notify our ordering department.

The unconditional acceptance of a delayed delivery or service shall not constitute a waiver of compensation claims which may apply due to the delayed delivery or service. This applies until the complete payment for the delivery or service concerned.

Part deliveries are not permitted unless we have explicitly agreed to them.

The figure recorded in the incoming goods inspection with respect to quantities, weights and dimensions prevail, unless proven otherwise.

§6 Shipping and packaging

The proper and safe packaging of parts, taking into account all risks of transport, happens at the supplier's expense. The goods are commercially available and properly packed, unless otherwise agreed. The supplier is liable for damages as a result of inadequate packaging. Other requirements for proper packaging can be found in our packaging and shipping regulations.

Two working days prior the goods are ready for shipping they shall be announced to Provendör by sending the proper shipping documents via e-mail containing the following information:

- Order number
- Article number and description
- drawing number incl. Index
- number of units per position
- net and gross weight of the consignment

Then the supplier receives the Provendör shipping documents, which are enclosed to the strictly neutrally packed delivery that goes directly to the end customer.

Moreover, the supplier is obliged to mark the delivery items in the manner prescribed by Provendör. Packing slips, labels on containers and packaging, etc. will provide a clear identification of the parts. In addition, an acceptance test certificate 3.1 for each ordered item shall be sent by e-mail to Provendör prior to every delivery.

After proper handover of the delivery to the transport service company, the supplier must provide proof about it without further prompting, e.g. a tracking number.

For consignments from foreign customs territories all necessary customs clearance documents have to be sent timely, duly issued and in a sufficient number to the customs agents. All costs arising from a delayed customs clearance due to incorrect or incomplete documents shall be at the supplier's expense.

§7 Warranty claims and recourse

Deliveries shall be accepted exclusively subject to thorough inspection for faultlessness, in particular also including accuracy and completeness, as and when this is pertinent in the ordinary course of business. Defects are notified by us immediately upon discovery. The indication of fault of a delivery is on time if it will be refunded within 6 weeks after receiving of open and within 6 weeks after discovery of hidden defects. For goods that are usually left in the packaging until they are used, defects that are visible only when removed from the packaging or during processing count as hidden defects. In that regard, the supplier waives the objection of late complaint.

The statutory provisions on factual and legal defects shall apply, unless subsequently otherwise regulated.

The right to choose the type of subsequent improvement is in principle to us. The supplier can only refuse our chosen type subsequent improvement if it is connected with disproportional costs for him.

After our request for subsequent improvement the supplier has to take immediate actions. Otherwise we shall be entitled the right to award the improvement to a third party or perform it ourselves at the supplier's expense.

For legal defects the supplier also releases us from any third party claims, unless he is not responsible for the defect.

Defect claims - except in cases of fraudulent intent - become time-barred after 3 years, unless the matter has been used in accordance with their usual purpose for a building and has caused its defect. The limitation period begins with the delivery of the contractual object (transfer of risk).

If the supplier meets their obligations of subsequent improvement by replacement delivery, the limitation period for the replaced goods start anew.

If costs shall arise for us as a result of the defective delivery of the contractual item, in particular transport, labor, installation, removal, material costs or costs for an incoming goods inspection going beyond the usual extent, the supplier must bear these costs.

§8 Product Liability

In the event that we are taken in a product liability claim, the supplier is obliged to hold us harmless from such claims if and insofar as the damage has been caused by a defect of the contractual item delivered by the supplier. In cases of strict liability, this applies only if the supplier is at fault. If the damage was caused in the responsibility of the supplier, he must prove that he is not at fault.

In above-mentioned cases the supplier accepts all costs and expenses, including the costs of any legal action.

Prior to any recall action which is wholly or partly due to a defect of the contractual item delivered by the supplier, we shall notify the supplier, give him the opportunity to collaborate and discuss with him about the effective implementation, unless the information or supplier participation is not possible because of special urgency. If a recall is due to a defect of the contractual item delivered by the supplier, the supplier shall bear the cost of the product recall.

Otherwise the statutory provisions apply.

§9 Withdrawal and termination rights

Beyond to the legal rights of withdrawal we are entitled also to withdraw from or terminate the contract with immediate effect if the supplier has stopped supplying its customers, a deterioration in the asset situation of the supplier occurs or may occur and thereby endangers the fulfillment of delivery obligations towards us, the supplier enters the state of insolvency or over-indebtedness or suspends payments.

We are also entitled to withdraw from or terminate the contract if the supplier on his assets requested the opening of insolvency proceedings or any analogous proceeding for the settlement of debts.

If we withdraw or terminate under the above mentioned withdrawal and termination rights, the supplier shall refund us all damage incurred thereby, unless he is not responsible for the emergence of the withdrawal and termination rights.

Legal rights and entitlements are not restricted by the regulations contained in this clause no. 9.

§10 Accounting, payment

For each delivery an invoice shall be sent to us separately from the shipment of goods. Invoices can be sent via email, fax or mail. The invoice must contain delivery note's number, the delivery date and the order number of Provendör.

Invoices or other documents of the supplier are never to be enclosed to the delivery of goods.

The payment period begins when a proper invoice is received by Provendör or with the delivery of the goods, whichever is the later.

Incomplete or incorrect shipping documents or invoices impede the course of the payment period. In this case, the payment period begins upon receipt of the proper shipping documents or invoice.

In case of defective deliveries the faulty parts are returned to the supplier and a credit of the invoice amount is made to Provendör by the supplier. The replacement is then invoiced again by the supplier.

The payment of the supplier's invoices by Provendör do neither mean that Provendör accepts the correctness of the delivery or service, nor that Provendör waives their entitled legal rights.

§11 General payment and delivery terms

Provendör's payment target is 14 days less 3% discount or 30 days net. Deviating payment arrangements are only possible after consultation with Provendör. The requirement of payment by cash in advance is not permitted.

Deliveries shall exclusively be made free domicile including packaging (alternatively DDP - Incoterms 2010) to the destination specified by Provendör.

§12 Compliance

The supplier undertakes to comply with the relevant legal regulations for dealing with employees, environmental protection and occupational safety, and to work on the reduction of any adverse impact on human health and the environment during his activities. Further, the supplier will observe the principles of the Global Compact Initiative of the United Nations. These mainly relate to the protection of internationally proclaimed human rights, the right to collective bargaining, elimination of forced labor and child labor, the elimination of discrimination in employment and occupation, responsibility for the environment and the prevention of corruption. More information about the Global Compact Initiative of the United Nations is available at www.unglobalcompact.org.

In the event that the supplier behaves unlawfully, we reserve the right to withdraw from existing contracts or to terminate them without notice.

§13 Legal Notice

Jurisdiction for all contracts is Traunstein, if the supplier is a merchant within the meaning of §§ 1 et seq. HGB, a legal entity under public law or a public law special fund. However Provendör is entitled to sue at the place of jurisdiction of the contractual partner. The law of the Federal Republic of Germany applies.

The provisions of the CISG do not apply.

Contract language is German.

Provendör GmbH
Untersbergstraße 13
D-83457 Bayerisch Gmain
Phone: +49 (0)8651 97488-0
Fax: +49 (0)8651 97488-01