

General Terms and Conditions of Purchase CONCEPT LASER GmbH

Section 1 Orders

1. We only place orders subject to our General Terms and Conditions of Purchase. We do not accept any conflicting or deviating terms and conditions by our suppliers unless we have expressly agreed to them in writing. Neither unreserved acceptance of deliveries or services nor unreserved payment of the supplier's invoices is considered as acceptance of its terms and conditions.
2. The submission of offers is free of charge and non-binding for us.
3. Only orders placed in writing are valid; verbal agreements must be confirmed in writing. In any case, we expect a written order confirmation.

Section 2 Prices

Unless otherwise agreed, the prices are DAP (Incoterms as amended from time to time) free to our works. We expect most-favoured treatment from our suppliers; price increases after submission of offers will only apply to us after a written notification stating the reasons and our acknowledgement.

Section 3 Delivery time

1. The agreed delivery times are binding.
2. If the supplier does not deliver its performance or not within the agreed delivery time or is in default, our rights — in particular to withdrawal and damages — will be determined by the statutory provisions. If we demand damages, the supplier will have the right to prove to us that it is not responsible for the breach of duty. The regulations in Section 3 paragraph 5 remain unaffected.
3. The supplier has no right to detention of the delivery due to any differences in other deliveries or business relationships.
4. Partial deliveries as well as excess or short deliveries require our approval.
5. In the case of delayed delivery we are entitled to demand lump sum damages in the amount of 0.5 % of the delivery value per completed calendar week, however, not more than 5 %. We reserve the right to provide evidence for higher damages incurred by us. The supplier has the right to provide evidence that no damage at all or considerably less damage incurred by us.

Section 4 Shipping and transport insurance

1. Unless otherwise agreed, the deliveries are effected DAP (Incoterms as amended from time to time) to the location to be specified by us, including packaging and preservation. The place of destination is in each case also the place of performance (debt to be discharged at the creditor's domicile). The order codes must be stated in all shipping documents. A delivery note must be enclosed with every delivery.
2. In the case of carriage forward deliveries, we expect a duplicate of the consignment note in addition to the delivery note. Generally, the most favourable shipping method is to be chosen. If the supplier has to choose a more expensive shipping method to avoid or as a consequence of delays in delivery, we will not bear the freight costs.

3. If direct shipment to our customer is stipulated, we expect the supplier to provide an advice of despatch signed by the freight carrier for the invoice control.

Section 5 Terms of payment

Unless otherwise agreed, payment is to be effected after 14 days with a cash discount of 3 % or within 90 days without any deductions. The term of payment starts upon complete delivery or performance and receipt of a proper invoice. If the supplier is obliged to provide test samples, test and inspection records, quality documents or other documents, the delivery or service will be deemed complete only if these documents are supplied as well. If the supplier's invoice is incorrect, in particular if the agreed price is not stated correctly, the discount period will only start upon receipt of a correct invoice.

Section 6 Terms of delivery

1. The supplier undertakes to comply with the relevant applicable requirements of the national and international export, customs and foreign trade laws and to procure the required export licences for all goods to be delivered and services to be provided. This does not apply if — in accordance with the applicable export, customs and foreign trade laws — not the supplier but we are or a third party is obliged to apply for the export licences.
2. The supplier must communicate to us in writing as soon as possible — however, at the latest upon submission of the order confirmation — all information and data (per item on the order confirmation, delivery note and invoice) required to comply with the applicable export, customs, and foreign trade laws for export and import as well as — in the case of onward sale — for re-export of the goods and services, in particular the following data for each good/service:
 - the Export Control Classification Number (ECCN) according to the U.S. Commerce Control List (CCL) if the product is subject to the U.S. Export Administration Regulations (EAR),
 - whether the goods were produced or stored in the USA or were manufactured using US-American technology,
 - the number of the German export list (EL) and the EU Dual-Use Regulation,
 - the national trade statistics number according to the latest commodity classification of the foreign trade statistics or the HS (Harmonized System) Code,
 - the country of origin (non-preferential origin),
 - if requested by us: supplier's declaration of the preferential origin (for European suppliers) or preference certificates (for non-European suppliers).
3. In the case of changes of the origin or of properties of the goods or services or of the applicable export, customs, and foreign trade laws, the supplier must immediately update the above-mentioned export control and foreign trade data and inform thereof in writing.
4. The supplier undertakes to keep us indemnified against all claims by third parties arising due to the absence or erroneous nature of export control and foreign trade data provided or to be provided by the supplier in accordance with the above-mentioned provisions and to reimburse us for accruing necessary expenditures and damages within the limits of statutory regulations.



5. Once a year, the supplier must produce the long-term supplier's declaration in accordance with Council Regulation (EEC) 1207/2001.

Section 7 Liability, warranty for material defects

1. For our rights in case of material defects of the goods (including wrong, over- and underdelivery as well as improper installation, faulty installation or operating instructions or user guides) and for the liability for breaches of the supplier's duties, the statutory provisions apply unless otherwise agreed in the following. The supplier is liable for all damages and expenditures incurred by us directly or indirectly due to defects of the goods.

2. In accordance with the statutory provisions, the supplier is liable in particular for the goods having the agreed condition upon transfer of the risk to us. Regarded as agreement on the condition are in any case the product descriptions that are subject matter of the relevant contract — in particular by stating and referring to our order — or that were included in the contract in the same way as these Terms and Conditions of Purchase. The period of limitation for claims for material defects is 36 months calculated from the transfer of risk, except where the mandatory provisions of Sections 478, 479 of the German Civil Code (BGB) apply.

3. In the case of endangerment of the operational safety, a risk of unusually high damages or in order to maintain our ability to deliver to our customers, we may perform the remediation ourselves or have it performed by third parties after informing the supplier. The supplier has to bear the resulting costs.

4. Also the expenditures for incoming goods inspections exceeding the usual scope have to be recompensed, provided that at least parts of the delivery were identified as being defective. This also applies to a partial or complete inspection of the received deliveries in the further business process at our place or at our customers'. The supplier must refund additional transport, travel and material costs incurred due to a defective delivery. If the supplier employs third parties for the service provision, it will be liable for these as for vicarious agents.

6. If we take back goods manufactured and/or sold by the supplier as a result of the defectiveness of the supplier's delivery or performance and the purchase price requested by us is therefore reduced or we are subjected to other claims for defects for this reason, we will be entitled to withdrawal with regard to the supplier without establishing a deadline as required otherwise.

Section 8 Commercial obligation to inspect and give notice of defects

1. With regard to our obligation to inspect and give notice of defects, the separate provisions of the Quality Assurance Agreement apply.

2. If there is no separate Quality Assurance Agreement between us and the supplier, the statutory provisions (Sections 377, 381 of the German Commercial Code (HGB)) apply for the commercial obligation to inspect and give notice of defects, subject to the following: Our obligation to inspect is restricted to defects that become evident in our incoming goods inspection in the course of an external examination including the delivery notes and in our quality control during sampling (e.g., transport damages, wrong and short delivery). Moreover, it is essential to what extent an inspection is feasible in terms of a proper course of business taking into account the circumstances of the individual case. Our obligation to give notice of defects that are detected later remains unaffected. In all cases, our notice of defects is considered as given immediately and in time if it is received by the supplier within five working days.

2. The supplier must deliver replacements for rejected parts free of charge. The supplier must bear any handling expenses incurred by us due to rejected deliveries as well as incidental freight costs. Defects that become evident during startup after installation must be eliminated by the supplier by assigning a service technician free of charge.

Section 9 Product liability, recall, and quality assurance

1. If product liability claims are raised against us, the supplier must indemnify us from that upon first request, as far as and to the extent to which the damage was caused by a defect of the goods delivered by the supplier. In cases of liability for negligence, however, this only applies if the supplier is to blame. As far as the cause of the damage is the responsibility of the supplier, the burden of proof insofar rests with supplier.

2. In the cases described in paragraph 1, the supplier bears all costs incurred in this context, in particular for the legal defence and any recall campaigns by us. We will inform the supplier about the contents and scope of such recall campaigns as far as possible and reasonable. Any further legal claims remain unaffected.

3. Paragraphs 1 and 2 apply accordingly as far as the product defect is attributable to deliveries or services by presuppliers or subcontractors of the supplier.

4. The supplier must take out adequate insurance, however, at least in the amount of € 5 million, against product liability risks including recall costs and must provide us with evidence thereof on request.

Section 10 Property rights, defects of title

1. The supplier guarantees that no third-party rights are violated in connection with its delivery.

2. If a third party makes a claim on us on these grounds, the supplier will be obliged to indemnify us against such claims on first written request. We are not entitled to make any agreements with the third party without the supplier's consent, in particular to make a compromise.

3. The supplier's indemnity obligation also refers to all expenditures inevitably incurred by us out of or in connection with such third-party claims.

4. The period of limitation is five years from contract conclusion.

Section 11 Supplier's obligation to notify change of product

The supplier must inform in due time (at least six months in advance) about the following changes:

- product changes,
 - changes of the manufacturing technique as well as processes and materials,
 - packaging changes,
 - relocation of production sites,
- so that we can check whether the changes can have a negative impact on the production process.



Section 12 Tools

Without prejudice to other agreements, we are assigned absolute or joint ownership to the extent to which we share the ascertained costs for tools for the production of the delivery item. The tools pass into our (joint) ownership upon payment. They remain on loan with the supplier. The supplier is only authorised to effectively or legally dispose of the tools, change their site or make them permanently inoperative if approved by us. The tools must be labelled by the supplier as our (joint) property. The supplier bears the costs for maintenance, repair and replacement of the tools. Replacement tools are our property in the same share as we own the original tool. In the case of joint ownership of a tool, we have a right of pre-emption for the share owned by the supplier. The supplier may use the tools that are our (joint) property for manufacturing the delivery items only. After the end of the deliveries, the supplier must immediately surrender the tools to us on request. If tools are jointly owned, we must refund the fair value of the share owned by the supplier to the same after having received the tool. Under no circumstances does the supplier have a right of retention. The obligation to surrender is applicable to the supplier also in case of an insolvency application against it or if the deliveries are disrupted for a longer period of time. The supplier must insure the tools to the extent agreed upon and, if no other agreement has been made, to the extent such insurance is customary.

Section 13 Secrecy, information

1. The supplier will keep secret the information provided by us such as drawings, documents, findings, samples, tooling, models, data media, etc., not make it accessible to third parties (also presuppliers) without our written approval, and not use it for other purposes than the ones determined by us. This applies accordingly to reproductions. This obligation does not apply to information already legitimately known to the supplier upon receipt without an obligation of secrecy or that legitimately becomes known afterwards without an obligation of secrecy, that is or becomes generally known without violation of the contract by either party or for which the supplier was given permission in writing to use it otherwise. The supplier must not campaign with its business relationship with us without our prior written consent.
2. We reserve the title and all other rights (e.g., copyright) to the information provided by us. Reproductions must only be created with our prior written consent. Upon their creation, the reproductions pass into our ownership. It is hereby agreed between the supplier and us that the supplier will store the reproductions for us. The supplier is obliged to carefully store, maintain, and insure the documents and objects as well as reproductions thereof provided to it at its own expense and retribute or destroy these at any time as requested by us. The supplier has no right of retention for whatever reason. The complete restitution or destruction is to be affirmed in writing.
3. In case of breach of the duties stated in this paragraph 1, a contractual penalty in the amount of € 10,000 will become due immediately for each case of violation. The right to claim damages beyond that remains unaffected. The supplier is entitled to have the appropriateness of the amount of the contractual penalty adjudged. Any contractual penalties paid are to be offset against damage claims.

Section 14 Code of conduct, social responsibility

Compliance with the legislation of the relevant applicable legal system is a contractual obligation. The supplier will explicitly not take part — neither actively nor passively — in any form of bribery, violation of its employees' fundamental rights or child labour. The supplier vouches for its employees' health and safety at the workplace, observes the environment protection laws, and supports and demands compliance with this principle also from its own suppliers.

Section 15 General provisions

If a provision is or becomes invalid, the validity of the other provisions will not be affected.

Section 16 Place of performance and place of jurisdiction

1. The place of performance is our registered office.
2. These Terms and Conditions of Purchase and all legal relationships between us and the supplier are governed by the law of the Federal Republic of Germany excluding all international and supranational (contract law) legislations, in particular the UN CISG.
3. If the supplier is a merchant within the meaning of the German Commercial Code, a corporate body under public law, or a special fund under public law, the exclusive — also international — place of jurisdiction for all disputes arising out of or in connection with this contractual relationship is Frankfurt/Main. However, we are also entitled to sue the supplier at its registered office.

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