

General Terms and Conditions of Purchase for Bernd Kraft GmbH

1. Scope

1.1 These general terms and conditions of purchase shall exclusively apply to any and all deliveries and performances provided to Bernd Kraft GmbH. Deviating terms and conditions of the contractor shall only apply if and to the extent that Bernd Kraft GmbH expressly agrees to them in writing.

1.2 Likewise, other general terms and conditions do not apply if they were not explicitly objected to on a case-by-case basis or ordered goods were accepted implicitly.

1.3 By fulfilling the first delivery under the terms and conditions of purchase set forth herein, the supplier acknowledges that they shall exclusively apply to all further orders of the same transaction type as well.

2. Orders, written form and quotes

2.1 Every document must state the full order number and order date. Only written orders and revised orders submitted by the Bernd Kraft GmbH purchasing department are binding. Oral agreements must be confirmed in writing by both parties.

2.2 Orders must be confirmed within 5 days of the order date. Bernd Kraft GmbH has the right to cancel its order free of charge if the supplier failed to accept it as is within 14 days of the order date.

2.3 Quotes and estimates are binding and free of charge, unless explicitly agreed otherwise.

3. Performance period

3.1 Agreed dates and terms are binding. The determinant for adherence to the delivery date or term of delivery is the receipt of the goods. Potential delivery delays must be reported to us immediately after they are identified, including the cause and expected length of the delivery delay.

3.2. If the supplier defaults, we have the right to exercise our statutory rights; in particular, we have the right to demand damages instead of performance and cancellation after failure to remedy within a reasonable period set by us. If we decide to claim damages, the supplier has the right to present evidence that he is not responsible for the non-performance.

3.3 Implicit acceptance of the delayed delivery or performance does not imply our forgoing of the damages we are entitled to due to the delayed delivery or performance; this applies until the time of complete remittance of our fee payable for the respective delivery

or performance.

4. Deliveries

4.1 Under- and overdeliveries are subject to approval. The same applies if the goods are delivered before the agreed delivery date.

4.2 Bernd Kraft GmbH has the right to refuse acceptance of goods that are not delivered by the delivery date specified in the order and to return or store them at a third-party location at the contractor's risk and expense.

4.3 Delivery has to be made to the specified delivery address, in compliance with applicable safety regulations, and at the agreed time.

5. Shipping and packaging

5.1 Unless otherwise agreed, shipping shall be at the contractor's risk to the unload point and at no cost to Bernd Kraft GmbH for shipping and packaging or other fees. The ordered goods shall be expertly packaged appropriate to the type of deliverable to prevent damage, contamination or manipulation during transport.

5.2 All shipments must be accompanied by specified shipping documents; in addition to the order number, they must state the exact name, quantity, weight, type and packing of the deliverable. The order details must also be stated on waybills and invoices and visibly on the outside of packaging and package addresses.

5.3 If the required shipping documents are not included with a delivery as specified or if the above details are missing from the shipping documents, we have the right to refuse acceptance or store the goods at the contractor's cost until completion.

6. Transfer of risk, notice of defect, goods receipt inspection

6.1 Transfer of risk to Bernd Kraft GmbH occurs when the delivery arrives at the unload point; if delivery includes setup or installation or for other work to be performed, transfer of risk occurs following formal acceptance.

6.2 Our goods receipt inspection only checks for externally visible damage or deviations regarding type and quantity. We will report such deviations within 10 days of delivery. We reserve the right to inspect goods more closely.

We will immediately notify the supplier in writing of any defects identified in the process and other defects identified based on the framework of proper business practice. Insofar, the supplier agrees to waive his objection of delayed notice of defect.

6.3 If defects are identified, we have the right to return the entire shipment at the supplier's expense or provision it for pickup.

7. Warranty

7.1 Unless otherwise specified below, statutory regulations govern the contractor's obligation of warranty. On first demand, the contractor releases Bernd Kraft GmbH from all

third-party claims raised due to defects, infringement of third-party property rights or product damage in his delivery based on his share of responsibility.

7.2 In accordance with statutory provisions, the supplier warrants that the goods meet the agreed and guaranteed quality characteristics (e.g. catalog description, certificates, product descriptions); are suitable for the intended use set forth in the contract; and comply with current regulatory stipulations, the German Equipment Safety Act, the applicable technical safety requirements, and the occupational health and safety/accident prevention regulations.

7.3 Unless agreed otherwise, statutory periods of limitation apply. The warranty period is suspended for the period beginning with the sending of our notice of defect and ending with our acceptance of the non-defective delivery or performance.

7.4 In case of delivery defects, we have the right to demand supplementary performance (i.e., rectification of the defect or delivery of a non-defective item), exercise our legal right of withdrawal, reduce the purchase price, or demand damages or reimbursement of expenses.

In urgent cases, Bernd Kraft GmbH – after consultation with the contractor – has the right to rectify the defects internally or have them rectified by a third party or otherwise obtain replacement at the contractor's expense. The same applies if the contractor defaults on fulfilling his obligation of warranty.

7.5 For replacements and rework, the contractor's liability is the same as for the original deliverable, which means it includes, without limitation, the cost of transport, travel, and labor. The warranty period for replacements begins no sooner than on the day the replacement is received.

7.6 If the warranty covers the quality characteristics or shelf life of the deliverable, Bernd Kraft GmbH has the right to raise related warranty claims in addition to the above claims.

8. Pricing and payment terms and conditions

8.1 The price stated on the order is binding. The agreed payment terms begin after receipt of the goods and invoice. Payment is made conditionally for proper delivery and subject to correct pricing and calculation. If a defect covered by the obligation of warranty is identified, we have the right to withhold payment until such time that the obligation of warranty has been fulfilled.

8.2 Bernd Kraft GmbH will process invoices to be sent in duplicate as separate mailings only if they state the order number as specified on the order. The contractor is responsible for the consequences of non-compliance with this obligation.

8.3 Payments are due 30 days from delivery and receipt of invoice. Unless otherwise agreed, the customer will pay the purchase price within 14 days, counted from the day of delivery and receipt of invoice, minus 2% early payment discount, or within 30 days from receipt of invoice net.

9. Offset and assignment

The contractor is only entitled to offset against undisputed or legally enforceable claims.

Without written approval by Bernd Kraft GmbH, the contractor is not entitled to assign claims against Bernd Kraft GmbH to third parties. § 354a HGB shall remain unaffected.

However, in this case the supplier shall immediately notify Bernd Kraft GmbH of the assignment. The right of Bernd Kraft GmbH to make a discharging payment to the supplier according to § 354a sentence 2 HGB shall remain unaffected.

10. Third-party property rights

The contractor assures that no rights claimed by third parties bar the contractually agreed use of the deliveries and performances; in particular, the contractor assures the non-infringement of third-party property rights. Should Bernd Kraft GmbH still be subject to legal action due to the possible infringement of rights claimed by third parties, such as patent rights, copyrights, and other property rights, the contractor hereby releases Bernd Kraft GmbH from any such claims and any associated performance.

The contractor is responsible for paying license fees or costs incurred from preventing or resolving infringements of property rights.

11. Confidentiality and privacy

We shall retain ownership of manufacturing instructions, proprietary company data, facilities etc. that we provide the contractor for the purpose of submitting a quote or completing an order. Their safekeeping is subject to due diligence of a prudent businessman and their use for any other purpose, duplication, or disclosure to third parties is strictly prohibited.

The client declares his revocable consent that any shared personal data may be processed and used according to statutory provisions for the purpose of order completion.

12. Place of fulfillment, place of jurisdiction, applicable law, final provisions

12.1 Any agreements between the parties in connection with the execution of this contract are set forth in this contract. No subsidiary oral agreements exist. Amendments or modifications to this contract, including changes to this written form requirement, must be in writing.

12.2 Unless otherwise stated in the order, Duisburg is the place of fulfillment.

12.3 Duisburg is the place of jurisdiction. Excluding the UN Convention on Contracts for the International Sale of Goods and the rules of conflict of law for German Private International Law, all deliveries and performances are governed by the laws of the Federal Republic of Germany, unless demanded otherwise by applicable law.

12.4 If one or more provisions in these contract terms and conditions or contract clauses should be or become void, in whole or in part, or should this contract contain omissions,

the remaining provisions and clauses shall remain in effect. The remaining parties assure that the voided clause will be replaced with another one which comes closest to the business purpose of the void or missing clause and is itself valid.

Duisburg, January 2018