

General Terms and Conditions of Purchase of Cambaum GmbH

1. General

1.1 These General Terms and Conditions of Purchase apply to all orders, purchases and other orders, irrespective of the type of contract (deliveries and services), of **Cambaum GmbH**, Im Rollfeld 15, 76532 Baden-Baden (hereinafter: "Cambaum") with the Supplier whether for the respective contract or future contracts without Cambaum having to repeatedly refer to these in each individual case. In addition, the General Terms and Conditions of Purchase can be freely viewed on the internet at cambaum.de at any time, and may be saved and printed in a reproducible form by the Supplier.

1.2 The General Terms and Conditions of Purchase apply exclusively; the Supplier's conditions to the contrary or those that vary from these General Terms and Conditions of Purchase are hereby expressly rejected. The General Terms and Conditions of Purchase shall be acknowledged by the Supplier at the latest upon the issue of Cambaum's order. The Supplier's variations from and supplementary information regarding these General Terms and Conditions of Purchase shall only be acknowledged by Cambaum provided Cambaum has

expressly granted its written consent to such variations upon entering into a contract. The requirement to grant consent shall apply in any case, including if Cambaum is aware of the Supplier's general terms and conditions of business and nevertheless unconditionally accepts its deliveries. Such differing agreements shall only apply to the business transaction that they affect in an individual case.

1.3 All agreements entered into by Cambaum and the Supplier for the purpose of executing this contract are set out in writing in this contract. Verbal subsidiary agreements were not entered into when this contract was entered into. Cambaum's individual agreements entered into expressly in an individual case with the Supplier (including subsidiary agreements, supplementary information and amendments to these conditions of purchase) have, in any case, preference over these General Terms and Conditions of Purchase – provided they are entered into after entering into the contract. A written contract or – if this is not available – the written confirmation by Cambaum shall be authoritative with regard to the content of individual agreements.

1.4 The General Terms and Conditions of Purchase apply exclusively to companies, legal entities under public law or special assets under public law within the meaning of Section 310(1) BGB (German Civil Code).

2. Enquiry, order, acceptance

2.1 Non-binding enquiries by Cambaum do not constitute an offer for entering into a contract. Following a non-binding enquiry by Cambaum for the Supplier to forward offers, these are to be made free of charge; cost estimates contained therein shall be binding for the Supplier and are not to be remunerated unless agreements to the contrary have been expressly entered into.

2.2 Cambaum's order constitutes an application for entering into the contract. The contract will only be brought about once the Supplier has accepted such an order by way of an express statement, partial delivery or honouring the order in full. The Supplier undertakes to accept Cambaum's order within a period of five workdays by stating in writing all details of relevance to the order. Following expiry of this period, or if the Supplier takes action to the contrary in its declaration of acceptance, its acceptance shall constitute a new offer made to Cambaum. The Supplier is to refer to such variations expressly and by way of illustrating the respective variation. Cambaum is free to

accept or refuse such a new offer made by the Supplier.

2.3 Cambaum may request amendments to the subject matter of contract in terms of the construction, design and the delivery date as part of what is acceptable for the Supplier. In this context, the effects, in particular in respect of additional and shortfall costs, as well as the delivery dates, are to be provided for reasonably and by way of common consent.

3. Delivery Time

3.1 The proper receipt of the goods or the fault-free rendering of the service and the hand over of the documentation to the receiving agent or place of use stated by Cambaum or the successful acceptance are authoritative in respect of compliance with the delivery date or the delivery period. Agreed dates and periods have binding force. If a delivery is agreed upon as "free domicile", the Supplier is to make the goods available in good time with consideration given to the time to be harmonised with the forwarding agent for the loading and shipping. If the Supplier has assumed the setting up or the assembly, and nothing to the contrary is agreed upon, in the absence of content to the contrary all the required incidental costs such as, but not exclusively, travelling expenses, provision of the tool and disbursements shall be borne by the Supplier.

- 3.2 As soon as the Supplier realises that it cannot honour its contractual obligations in full, in part or not in good time, it is to inform Cambaum of this without delay in writing by way of stating the reasons and the likely duration of the delay.
- 3.3 In the event of default in delivery, Cambaum shall be entitled to assert the statutory claims. Irrespective of this, Cambaum shall be entitled, from the time of the default in delivery, to request that the Supplier provide flat-rate compensation for the delivery caused by default in the sum of 0.5% for each complete week, in total, however, not more than 5 % of the net price of the goods that are delivered late. The Supplier is reserved the right to furnish proof that Cambaum did not sustain any damage at all or only sustained considerably less damage. Cambaum expressly reserves the right to assert claims for damages that extend beyond the flat-rate claim for damages.
- 3.4 If the Supplier fails to honour the contract within the agreed delivery time, it shall be liable in accordance with the statutory provisions. The unconditional acceptance of the delayed delivery or service does not constitute any waiver of the compensation claims to which Cambaum is entitled regarding the delayed delivery or service; this applies up until payment in full of the remuneration payable by Cambaum for the affected delivery or service.
- 3.5 In the event of default in delivery, Cambaum shall be entitled to withdraw from the contract after setting a reasonable additional period.
- 3.6 In the event of delivery earlier than agreed, Cambaum reserves the right to return the goods at the Supplier's cost. If goods are not returned in the case of an early delivery, the goods shall be stored at Cambaum's premises up until the agreed delivery date at the Supplier's cost and risk. Cambaum reserves the right in the event of early delivery to make the payment on the agreed due date only.
- 4. Shipping and passing of risk**
- 4.1 In the absence of agreements to the contrary, the Supplier is to ensure that the most favourable solution is chosen for Cambaum in respect of the mode of transport and the term. The additional cost of expedited transportation to meet the delivery date shall be borne by the Supplier if the Supplier is responsible for the delay at least as a result of minor negligence.
- 4.2 In addition to the product description, Cambaum's product and order number, the customs/goods tariff number, the order date and the content, weight and quantity list are to be stated in all shipping notices, delivery notes,

packaging slips, consignment notes, invoices and on the outer packaging etc. The Supplier is liable for the consequences of incorrect consignment note declarations, in particular for processing delays.

4.3 The transport risk and costs shall be borne by the Supplier in any case. The risk of any deterioration, including the accidental loss, shall remain the Supplier's responsibility up until delivery to the agreed shipping address or the point of use. Risk shall pass to Cambaum as soon as the delivery has been properly handed over or in the event of plant services has been properly accepted.

4.4 All damage caused by culpable, in appropriate packaging shall be the Supplier's responsibility.

4.5 In the case of delivery of hazardous goods, the existing statutory requirements are to be complied with, in particular the conditions regarding the design and labelling of the packaging and the mode of transport.

5. Prices

5.1 The prices stated in the order are to be understood as fixed and binding prices. Subsequent price increases are excluded, for whichever reason. In the absence of an agreement to the contrary, the price is

to be understood "free domicile" up to the delivery address stated by Cambaum, including all services and subsidiary services on the part of the Supplier (e.g. installation and fitting) as well as all incidental costs (e.g. proper packaging, freight including potential transport and third party liability insurance and packaging free to the point of use, customs duties and other public charges). At Cambaum's request, the Supplier is to take back packaging material. Empties and packaging material are to be returned carriage forward at the Supplier's costs provided this is not one-way packaging.

5.2 In the case of imports, the prices are to be understood as "DDP" (in accordance with Incoterms 2010) fixed prices including transportation, customs duties, storage, customs and packaging costs and ready for loading to the mode of transport at the place of destination.

5.3 Contrary to sub-section 5.1, the order shall apply on a time or material basis provided Cambaum has expressly noted this in the order.

6. Invoices

6.1 The Supplier is to plausibly document in its invoices the working hours it has performed or the materials it has used for Cambaum provided the Supplier's commissioning is based on sub-section 5.3 or a time or material basis.

6.2 Cambaum reserves the right to return unprocessed invoices that do not comply with the stated requirements, in particular in respect of order data, sales tax requirements or proof of working hours. In such a case, the invoice shall be deemed not written out.

6.3 In the case of delivery or services that are not as per agreement, in particular faulty delivery or services, Cambaum shall be entitled to retain an appropriate amount up until the contract is honoured properly without the loss of reductions, discounts or similar payment concessions.

7. Payment

7.1 In the absence of express agreements to the contrary, payment shall be made within 14 days less a 3% trade discount or within 30 days without any deductions. The periods shall commence from the receipt of invoice, however not prior to receipt of the delivery items or services, not before these have been accepted and, provided documentation and test certificates are part of the performance scope, not prior to the hand over to Cambaum as per agreement. Delayed payments attributable to inappropriate delivery papers or incomplete invoice details shall nevertheless entitle Cambaum to deduct the respective trade discount.

7.2 Cambaum is not required to pay interest after the due date. This does not affect the Supplier's entitlement to payment of interest on arrears in the sum of 6 percentage points above the respective valid base-lending rate that has been published by the European Central Bank. Higher interest on arrears are expressly rejected. The statutory requirements apply to the occurrence of default on the part of Cambaum. However, in any case the Supplier shall be required to issue a reminder.

7.3 Payment does not constitute acknowledgement of the adequacy of the delivery and service.

8. Setting off and retention rights of the contracting parties

8.1 Cambaum is entitled to setting off and retention rights, and to object to the non-performance of the contract, to an extent specified by law. Cambaum is entitled, in particular, to retain due payments as long as Cambaum continued to be entitled to claims resulting from incomplete or faulty services on the part of the Supplier.

8.2 The Supplier shall only have a right to set off regarding res judicata or undisputed counter-claims. A retention right on the part of the Supplier is excluded unless the right of retention is based on the Supplier's claims resulting from the same contractual relationship with Cambaum.

9. Supplier's reservation of title

The Supplier is entitled to deliver the goods by way of simple reservation of title up until payment of the goods. Cambaum does not consent to further-reaching regulation regarding reservation of title, in particular the so-called extended reservation of title or Group reservation. In the event of partial payments, Cambaum shall acquire co-ownership of the goods in the proportion of the value of the payment to that of the goods.

10. Quality

10.1 The Supplier guarantees that its goods and services contain the characteristics and quality features described in the order and comply with the specifications, drawing, samples and other descriptions specified by Cambaum.

10.2 The Supplier shall implement and maintain corresponding quality assurance which, in terms of its type and scope, is suitable and in line with the latest technological developments, and on request furnish Cambaum with proof in that respect. The Supplier shall keep records of the above-mentioned quality assurance measures that are conducted, in particular regarding measurement values and test results, and store these records in a clear and orderly manner. The test documents are to be stored for 10 years and where necessary presented

to Cambaum. The Supplier is to place its suppliers under obligation to the same extent as part of the statutory options. Cambaum reserves the right, where applicable, to request that the Supplier furnish proof of its quality assurance system and the documentation of the quality tests. This also includes the entitlement to conduct an audit at the Supplier's business enterprise.

10.3 If first or reference samples are requested, the Supplier may only commence with series production following express, written approval by Cambaum.

10.4 The Supplier is to gear the quality of its products to be supplied to Cambaum constantly in line with the latest technological developments and draw Cambaum's attention to potential improvements and technical alterations. However, alterations to the delivery item are subject in any case to prior, written approval by Cambaum.

10.5 The Supplier guarantees to honour all statutory safety and environmental requirements that apply in the Federal Republic of Germany.

11 Inspection of defects

11.1 Cambaum undertakes to check the goods within a reasonable period as regards visible quality or quantity variations. Notification shall be deemed given in good

time provided it is received by the Supplier within a period of 10 workdays calculated from the receipt of goods or in the event of hidden defects when such defects are identified.

11.2 Cambaum does not consent to clauses in the Supplier's contractual conditions on the basis of which notification of defects is to be given in a certain form or within a period specified according to days.

11.3 The entire delivery may be rejected if parts of the delivery scope do not comply with Cambaum's requirements, or a quality customary in the trade, in the case of a random review.

12. Guarantee and liability

12.1 The statutory provisions regarding material defects and defects in title apply provided nothing to the contrary is provided for below, in particular in sub-section 16.

12.2 The Supplier's liability includes ensuring that the delivery item does not, in particular, contain any defects that have a detrimental effect on the value or suitability, or the agreed or guaranteed quality, with regard to the use assumed in accordance with the contract, and ensuring that the delivery item corresponds to the respective, valid safety requirements and occupational safety and accident prevention requirements. If the delivery item varies

from this, Cambaum may, in the case of timely notification of defects in accordance with sub-section 11.1, request rectification of the defect or delivery of a fault-free item, withdraw from the contract in accordance with the statutory provisions or reduce the purchase price or claim for damages or request compensation of expenses incurred in vain.

12.3 If the Supplier defaults in honouring its guarantee obligations, Cambaum shall be entitled to rectify the defects at the Supplier's cost and risk, make arrangements for these to be rectified or procure replacement. In urgent cases, Cambaum may, following consultation with the Supplier, perform the subsequent improvement or have this performed by a third party.

12.4 The Supplier's guarantee also applies to the parts supplied by subcontractors. The Supplier is not entitled to assign to Cambaum its claims against the respective subcontractor and render its own guarantee obligation conditional on the fact that the action taken by Cambaum against the subcontractor was unsuccessful.

12.5 Contrary to Section 442(1), sentence 2, BGB, Cambaum is also entitled to unrestricted warranty claims if it remains unaware of the defects upon entering into

the contract as a result of gross negligence.

12.6 In the case of notification of defects in accordance with sub-section 11.1, the period of limitation shall be extended by the period between the notification of defects and the rectification of defects. If the delivery item is replaced in full, the period of limitation regarding the rectified defects shall commence afresh, in the case of partial replacement this shall apply to the replaced parts and only regarding such a defect.

12.7 The guarantee period for material defects and defects in title is 36 months calculated from the passing of risk. This does not apply provided the law specifies longer periods. If acceptance has been agreed, the period of limitation shall commence upon acceptance.

12.8 In the event of an unjustified request for the rectification of defects by Cambaum, Cambaum shall only be liable if it acknowledges, or fails to acknowledge as a result of gross negligence, that no defect applied.

13. Product liability, exemption, third party insurance protection

13.1 In the event that legal action is brought against Cambaum as a result of product liability, the Supplier undertakes to render Cambaum exempt from such claims at the first request if and insofar as

the damage has been caused by a defect in the delivery item supplied by the Supplier. However, in the case of no-fault liability this shall only apply if the Supplier is culpable. Insofar as the cause of damage lies within the Supplier's area of responsibility, the onus of proof shall, insofar, be on the Supplier.

13.2 In the cases set out in sub-section 13.1, all costs and expenses, including the cost of potential legal defence, shall be borne by the Supplier. In other respects the statutory provisions apply.

13.3 Cambaum shall inform the Supplier of a potential recall campaign, which is wholly or partially the consequence of a defect in the subject matter of contract supplied by the Supplier, give the Supplier the opportunity to collaborate and exchange ideas with the Supplier about efficiently conducting such a campaign unless notifying the Supplier, or the Supplier's involvement, is not possible due to particular urgency. Insofar as a recall campaign is a consequence of a defect in the subject matter of contract supplied by the Supplier, the cost of the recall campaign shall be borne by the Supplier. This does not affect other statutory claims.

13.4 The Supplier is to maintain sufficient third party liability insurance, in particular product liability insurance with an amount insured of € 5 million for each case of

personal damage / material damage – on a flat-rate basis – for damage that is caused by the Supplier, its personnel or its authorised representative by way of rendered services, performed work or items. This shall not affect further-reaching claims for damages if Cambaum is entitled to such claims. On request, the Supplier is to furnish corresponding proof of the existence of the insurance policy and the ongoing payment of its insurance premiums. The insurance policy is to provide unlimited cover for the Supplier's liability for its employees.

14. Drawings, tools, implementation aids

14.1 Drafts, tools, forms, models, samples, drawings, standard sheets, measurement and test equipment, delivery and test requirements, printing templates and other documents ("Implementation Aids") surrendered by Cambaum to execute the order shall remain Cambaum's unrestricted property, and as in the case of items manufactured on this basis may neither be forwarded to third parties nor be used for purposes other than contractual purposes without written approval by Cambaum. Ownership of tools, forms and the like that are manufactured at Cambaum's cost shall pass to Cambaum once payment is made in that respect.

14.2 All Implementation Aids stated in sub-section 14 are to be suitably labelled as

Cambaum's property and protected from unauthorised viewing or use and, where applicable, repaired or replaced. Subject to further rights, Cambaum may request the surrender of these if the Supplier violates this obligation or in the event of production difficulties. A right of retention on the part of the Supplier is excluded.

14.3 The Supplier undertakes to insure, at its own cost, the tools owned by Cambaum at replacement value with cover for fire damage, water damage and damage caused by theft. At the same time, the Supplier assigns at this point in time to Cambaum all compensation claims resulting from such insurance. Cambaum hereby accepts the assignment.

14.4 The Supplier undertakes to perform in good time the maintenance and inspection work that may be necessary in respect of Cambaum's tools, and perform all maintenance and repair work. The Supplier shall carry half the resulting costs. However, insofar as the costs are attributable to the lack of items manufactured by the Supplier or the inappropriate, culpable use by the Supplier, its employees or other vicarious agents, such costs shall be borne by the Supplier alone. The Supplier is to notify Cambaum immediately of any malfunctions; if it culpably fails to do so, this shall not affect claims for damages.

14.5 Drawings and other documents are, in each case, only authoritative for the order for which they are made available. The drawings surrendered to the Supplier are not subject to Cambaum's change service. At all times the drawing that was sent most recently with the corresponding change index shall be valid. The Supplier shall be responsible for the failure to act accordingly in such a situation.

15. Property rights

15.1 The Supplier is liable such that neither the goods it supplies nor the further delivery, processing or use of these by Cambaum shall violate third party property rights within the Federal Republic of Germany and the EU, in particular utility models, patents or licenses.

15.2 The Supplier shall render Cambaum and Cambaum's customers exempt from third party claims for potential property rights infringements and shall bear all costs that Cambaum incurs in that respect. Cambaum is not entitled to enter into agreements with the third party – without the Supplier's approval – in particular a composition.

15.3 The obligation to render Cambaum exempt applies to all expenses that Cambaum incurs as a result of or in conjunction with the action brought by a third party.

15.4 The Supplier's above obligation does not apply if the Supplier has manufactured the delivery items in accordance with drawings, models or other descriptions equated with these or details handed over by Cambaum, and is unaware or in conjunction with the products it designed is not required to know that property rights shall be infringed upon as a result.

15.5 In the case of conflicting third party property rights, the Supplier is to bring about at its own cost the consent or approval that applies to Cambaum for the further delivery, processing and use by the beneficiary. Should this be impossible for the Supplier, Cambaum shall be entitled to the statutory rights in accordance with sub-section 12.2.

15.6 The period of imitation for these exemption claims is 3 years from the passing of risk.

16. Spare parts supply

16.1 The Supplier undertakes to guarantee to supply spare parts for the proposed useful life of the end products for which the products are to be used.

16.2 The minimum period is 10 years following the end of series production of the products. The Supplier shall grant Cambaum in good time an option of placing a final order for the all-time requirement.

17. Compensation for loss suffered

The Supplier shall be liable to Cambaum in each case to an extent specified by law – e.g. regarding default, non-performance or insufficiently honouring obligations resulting from the obligation, unlawful acts or culpability in the case of entering into a contract (see Section 311 BGB) – for providing compensation for any kind of damage including the reimbursement of expenses and indirect damage, in particular damage that arises as a result of a production loss caused by the delivery item. The Supplier shall also be liable, in particular, to an extent specified by law if it calls on the services of vicarious agents. A limitation on liability in terms of amount shall be rejected.

18. Withdrawal from contract

Cambaum is entitled to the withdrawal rights specified by law. Cambaum does not consent to a restriction of such rights.

19. Secrecy

19.1 The Supplier is to maintain secrecy regarding confidential information, that is all data and information of which it gains knowledge, of which it gains knowledge as part of the contractual relationship with Cambaum such as all received diagrams, drawings, calculations and other documents and information

(hereinafter: Confidential Information). Confidential Information may only be disclosed to third parties following prior, express written approval by Cambaum. Confidential Information may only be used for the purposes of the contract entered into with Cambaum. Furthermore, the Supplier undertakes to prevent third parties from gaining access to Confidential Information. In that respect the Supplier is apply the care that it applies in handling its own confidential information, at least appropriate care. The Supplier undertakes to place its employees under the same obligations to maintain secrecy regarding the Confidential Information. The Supplier shall inform Cambaum without delay and in writing if it becomes aware of pending or past violation of the secrecy agreement, or suspects this.

19.2 This obligation to maintain secrecy shall also continue to apply beyond the end of the contract for 3 years.

19.3 The obligation to maintain secrecy shall cease to apply if the Supplier furnishes proof that

- It was already aware of this Confidential Information prior to the notification by Cambaum;
- It lawfully received this Confidential Information from third parties without being placed under obligation to maintain secrecy and

without the Supplier being aware that the third parties in that respect violated the secrecy obligations imposed on these third parties;

- The Confidential Information is in the public domain or has become generally known without violating this obligation to maintain secrecy;
- This Confidential Information has been or shall be developed by the Supplier irrespective of the notification by Cambaum.

19.4 Cambaum reserves all rights to the Confidential Information (including copyrights, the right to register commercial property rights and patents, utility models, topography protection rights, registered designs and brands) and the ownership right to the items made available containing Confidential Information (papers and disks etc.). In any case, ownership, licensing, production, utilisation or other rights shall not be granted to Cambaum's Confidential Information irrespective of whether or not such information contains property rights.

19.5 At Cambaum's request, the Supplier is to return to Cambaum all received Confidential Information without delay. An exception merely applies to copies that need to be archived on the basis of meeting compulsory statutory requirements. All Confidential

Information on computers is to be deleted on request.

19.6 At Cambaum's request, the Supplier undertakes to make available to Cambaum in writing all foreign trade data regarding its goods and its components and notify Cambaum without delay (prior to delivery of corresponding goods affected by this) about all changes to the details made to date.

20. Data protection

The contracting parties shall process or use the personal data of the respective other contracting party only for purposes as per agreement by way of compliance with the statutory provisions.

21. Force majeure

21.1 Industrial action, interruption of operations for which responsibility is not held, unrest, administrative measures and other unavoidable events for which Cambaum is not responsible shall release Cambaum for the duration of their existence from the obligation to accept at an early date.

21.2 During such events and within two weeks after they end, Cambaum shall be entitled – irrespective of the other rights in favour of Cambaum – to wholly or partially withdraw from the contract provided

these events last for a considerable period and Cambaum's requirement falls considerably as a result of the other procurement that becomes necessary.

22. Prohibition on assignment, no use of subcontractors, assignment by Cambaum

22.1 The Supplier is not entitled to assign to third parties receivables resulting from the contractual relationship without prior, written consent by Cambaum. This does not apply to money receivables.

22.2 Cambaum is entitled to assign any claims resulting from the delivery contracts without the Supplier's consent.

23 Place of performance, place of jurisdiction, law

23.1 In the absence of express agreements to the contrary, the shipping address or point of use stated by Cambaum is deemed the place of performance for the delivery and performance obligation; Baden-Baden is deemed the place of performance for all other obligations.

23.2 Baden-Baden is deemed the exclusive – and international – place of jurisdiction for all current and future claims, deliveries and payments resulting from the business association with Cambaum, including receivables in the form of bills of exchange and cheques, provided the Supplier is a general merchant, a legal

person under public law or federal special funds. However, Cambaum is also entitled to bring an action at the court with jurisdiction for the Supplier's registered office.

23.3 Solely German law applies by way of exclusion of the UN Convention on Contracts for the International Sale of Goods.

Status: January 2016