

Purchasing conditions

1. Applicability

- 1.1 These purchasing conditions apply to all purchases by ELECTROSTAR with suppliers, which are entrepreneurs (§ 14 of the German Civil Code), corporate bodies under public law or special fund under public law, but not for contracts with consumers.
- 1.2 These purchasing conditions also apply to contracts concluded in the future, as long as these are not based on newer conditions. The supplier's terms and conditions are opposed. These do not form part of the contract.

2. Conclusion of the contract and delivery

- 2.1 All deliveries must satisfy the requirements of the EU directives regarding electrical and electronic equipment (WEEE Directive) and regarding the restriction of the use of certain hazardous substances in electrical and electronic equipment (RoHS Directive) as well as the corresponding German regulations (currently ElektroG) in their respective latest version. This also applies in particular to the labelling of equipment, the avoidance of prohibited substances and the provision of information to waste disposal facilities.

Changes to the legal situation between conclusion of the contract and delivery shall be notified to ELECTROSTAR immediately without being requested and taken into account at the time of delivery.

The same applies to the observance of the EU regulations regarding the registration, evaluation, authorisation and restriction of chemical substances (REACH regulation). Any necessary registrations and approvals shall be carried out and put into effect. To ensure safe use, the supplier must provide ELECTROSTAR with adequate information about the products covered by the contract without being requested.

The delivered objects and their packaging must not contain any parts that are deemed to be of concern in the attachments of the REACH regulation. If this cannot be complied with, and if such substances are present in a concentration of more than 0.1%, this shall be expressly pointed out to ELECTROSTAR.

Status: January 2020 / Page 1 of 5

If any of these duties are breached, the supplier is obliged to pay compensation, and in particular must indemnify ELECTROSTAR from third party compensation claims at the earliest request.

- 2.2 The performance due is determined by ELECTROSTAR's purchase order in case of doubt.
- 2.3 ELECTROSTAR is bound to a purchase order for 5 working days. The binding obligation expires if the supplier does not accept the purchase order during this period. The contract comes into being through the purchase order by ELECTROSTAR and the declaration of acceptance (order confirmation) by the supplier.
- 2.4 Deliveries are made free domicile to ELECTROSTAR's premises taking into account the ELECTROSTAR packing regulations, which can be seen on the ELECTROSTAR website.
- 2.5 If an agreed delivery date is not complied with, ELECTROSTAR is entitled, after allowing an extension period, to purchase the ordered goods from another supplier at the supplier's expense. Over and above this, ELECTROSTAR is able to reject further deliveries, withdraw from the contract or demand compensation. Furthermore, ELECTROSTAR has the right to demand the immediate surrender of the tools or means of production necessary for production (Section 5).
- 2.6 The quantities, dimensions, weights and quality attributes established by the ELECTROSTAR goods inwards inspection are decisive for the scope and content of the delivery.
- 2.7 ELECTROSTAR is not obliged to accept partial or over deliveries that have not been agreed. ELECTROSTAR can send these back or store them at the supplier's expense and risk. The same applies to deliveries that are made before the agreed date.

3. Prices and payment

- 3.1 In case of doubt, the prices specified at the time of the purchase order apply for delivery free domicile or free place of performance. If the purchase order does not include a price, the contract does not come into being before an agreement over the price.

- 3.2 Payment only becomes due after receipt of delivery free of faults and an auditable invoice, but not before the agreed delivery date. If partial deliveries are accepted, payment only becomes due as soon as the complete delivery is made.
- 3.3 Payment is made within 14 days following receipt of the invoice with 3% cash discount or net within 60 days.

4. Guarantee

- 4.1 The guarantee is determined by the statutory regulation subject to the following conditions:
- 4.2 If the supplier does not meet its obligation to provide supplementary performance within an extension period set by ELECTROSTAR, or supplementary performance by the supplier is not possible within the period set by ELECTROSTAR, ELECTROSTAR is entitled to rectify the defects itself or have them rectified at the supplier's expense, or to choose an alternative solution. Costs arising from this are charged to the supplier.
- 4.3 ELECTROSTAR is not obliged to inspect the goods and make a complaint immediately. ELECTROSTAR only has to immediately make a complaint about externally visible damage without an inspection when goods are received. In any case a complaint is in time if raised within 3 weeks after discovery of the defect.
- 4.4 If deliveries lead to complaints more than three times within a space of 6 months, and if, depending on the type of complaint, it is not possible to rule out that further defective deliveries may be anticipated, ELECTROSTAR is entitled to reject the performance of the remaining contract and to demand damages instead. This liability for damages also covers tool costs paid by ELECTROSTAR, as long as these have not already been depreciated.

5. Means of production

- 5.1 Drawings, parts lists, functional samples, models, gauges, tools and other means of production, which ELECTROSTAR instructs the supplier to make or makes available to the supplier, may only be used in the interests of ELECTROSTAR, in other words must not be made accessible in particular to third parties or used in the interests of third parties.

- 5.2 Means of production may only be modified with written consent from ELECTROSTAR.
- 5.3 The supplier must look after the means of production carefully and protect them against damage and third party access. The supplier bears the costs for servicing, maintaining, repairing and, if necessary, replacing damaged or worn parts. The supplier must insure the means of production against fire and any production downtime and give ELECTROSTAR evidence of this on request.
- 5.4 If ELECTROSTAR asks for the return of means of production, the supplier must meet this request immediately at its expense. Any right of retention is excluded.

6. Confidentiality

- 6.1 The supplier must treat all the information and knowledge disclosed to it in connection with the goods to be delivered, in particular the intended use of the same by ELECTROSTAR, as confidential. In this respect it concerns business secrets according to § 2 of the Law on the Protection of Trade Secrets. Passing on to third parties is not permitted.
- 6.2 The regulation according to Section 6.1 does not apply to information that was already known to the supplier before starting the business relationship with ELECTROSTAR or that can be taken from generally accessible sources.

7. Transfer of ownership

- 7.1 If ELECTROSTAR provides material, then ownership to the goods to be produced is transferred to ELECTROSTAR at the time production starts. The supplier then carries out the production for ELECTROSTAR as its subcontractor and takes possession of the finished product for ELECTROSTAR according to the regulations of an unpaid custodian.
- 7.2 If the supplier produces tools or other means of production on behalf of ELECTROSTAR, then ownership to these transfers to ELECTROSTAR as soon as ELECTROSTAR makes a payment for these, even if it is only a deposit. The supplier then takes possession for ELECTROSTAR as an unpaid borrower. It is entitled to possess the means of production for ELECTROSTAR in a manner that is revocable at any time. Any right of retention is excluded.

8. Final conditions

- 8.1 Changes and additions to this contract must be made in writing in order to take effect. This written form requirement can also only be waived in writing.
- 8.2 The contract is determined according to German law to the exclusion of international civil law and the UN sales law. The law that would have been applicable if both parties were based in the Federal Republic of Germany is therefore decisive.
- 8.3 If a condition of this contract is or becomes ineffective, then the validity of the remainder of the contract will not be affected by this. As far as reasonably possible, the parties are obliged in good faith to replace the ineffective condition with the legally permitted condition that most closely reflects the commercial purpose of the ineffective condition.
- 8.4 The place of performance and place of jurisdiction is the registered office of ELECTROSTAR.