

# General Terms and Conditions of Purchase of IPETRONIK GmbH & Co.KG

## § 1 Scope

Only the following terms and conditions of purchase shall apply to our orders and contracts for deliveries and services from the supplier. Any deviating terms and conditions of sale of the supplier are hereby expressly rejected. Unreserved acceptance of supplies and services, or payment for such supplies and services, does not imply agreement with the Terms and Conditions of Sale of the supplier. In case of contradictions between the text in the purchase order or the text in the documents listed in the purchase order and the following terms and conditions of purchase, the text in the purchase order or the text in the documents listed in the purchase order have precedence.

## § 2 Quotes, Documents

(2.1) Quotes from the supplier must be submitted in writing and do not carry any payment obligation.

(2.2) We reserve the property rights, rights of use and rights of exploitation as well as all intellectual property rights to the drawings, plans, illustrations, calculations, models, samples and other documents provided to the supplier for the purpose of submitting a quote. The supplier may not hand them over or make them accessible to third parties without our express written consent.

(2.3) If they are provided to him in connection with submission of a quote or a purchase order, he may use them exclusively for the purpose of submitting the quote and for processing the order. They must be returned to us without being asked for if the order is not placed, or upon request if an order that has been placed has been completed.

## § 3 Purchase Orders

(3.1) Purchase orders are only legally binding if we place them in writing through our Purchasing department. Orders initially placed verbally or over the telephone require a subsequent confirmation by our Purchasing department. We can refuse acceptance and payment for deliveries that are not based on regular purchase orders in accordance with the requirement defined above. Any ambiguities in the order must be clarified in writing.

(3.2) To accept the order, the supplier is obligated to send an order confirmation to [Order-Confirmation@ipetronik.com](mailto:Order-Confirmation@ipetronik.com) and, [for the Bergkirchen location, to \[Caetec@ipetronik.com\]\(mailto:Caetec@ipetronik.com\) within a period of four business days.](#)

(3.3) If the confirmation of the supplier is at variance from our purchase order, it is the responsibility of the supplier to expressly draw attention to such differences. In such a case, a contract only comes into force with the express consent of our Purchasing department.

(3.4) If you do not confirm our order in writing within 10 business days to the recipients specified in Point 3.2, we are entitled to recall it.

(3.5) We shall be entitled to ask for changes in the supplied object even after contract sign-off, provided this is just and reasonable for the supplier. With such changes in the contract, their effects for both the parties must be reasonably taken into consideration, especially with regard to additional or lower costs.

(3.6) By accepting the order, the supplier declares or undertakes the following:

- that they will comply with Article 33 of the REACH ordinance and immediately inform IPETRONIK in writing by e-mail at [QMB@IPETRONIK.com](mailto:QMB@IPETRONIK.com) if, according to his knowledge, "substances of particular concern" are present in the supplied products in excess of the limit of 0.1%. For this purpose, the supplier undertakes on his own responsibility to acquire the knowledge related to this ordinance and to keep it up to date on his own initiative.
- to issue to IPETRONIK a Certificate of Origin in the form of a so-called long-term supplier's declaration (German abbreviation: "LLE"). Changes in this declaration must be notified in writing by e-mail to [Einkauf@ipetronik.com](mailto:Einkauf@ipetronik.com). Changes in the documents accompanying the goods cannot be processed for operational reasons.
- all supplies conform to the RoHS2 (2011/62/EU), in its latest version.
- to notify hazardous materials well in time before dispatch. So also, to send the procedures for handling them, and their hazardous materials data sheets, specifying the IPETRONIK material number and the purchase order number by e-mail to the following address [QMB@IPETRONIK.com](mailto:QMB@IPETRONIK.com)

## § 4 Prices, Delivery, Packaging

(4.1) The prices notified in the purchase order are binding. The Incoterms 2020 DDP (Delivered Duty Paid) will be considered to be agreed for all deliveries, unless we have expressly consented to something different. The price listed in the purchase order includes all the costs for a delivery in keeping with the agreed Incoterms.

(4.2) Shipment is at the risk of the supplier. The risk of any deterioration or degradation, including accidental loss, shall remain with the supplier until delivery to the agreed shipping address or place of use.

The applicable delivery documents for each consignment must accompany every consignment (even partial deliveries). We are not under any obligation to process wagonloads before the delivery documents are received.

(4.3) Unless expressly agreed otherwise, the place of performance for the delivery/service obligation is the address or location of use as specified by us; for all other obligations on both sides, the place of performance is our registered office.

(4.4) Changes stemming from cost increases that have occurred subsequently are excluded, regardless of the reason.

(4.5) If prices are missing in the purchase order, the supplier must specify them in his order confirmation. In such a case, the contract comes into being only with a modified purchase order that contains the prices.

(4.6) The supplier must notify us of the processing of a shipment without delay through a dispatch note, delivery note or proof of performance, specifying our purchase order number, to [einkauf@ipetronik.com](mailto:einkauf@ipetronik.com) and [for the Bergkirchen site, to \[Caetec@ipetronik.com\]\(mailto:Caetec@ipetronik.com\).](#)

(4.7) Deliveries, including the appropriate packaging and insurance, shall be executed at the supplier's expense. Environment-friendly packaging materials must be preferred. We do not bear the costs of transport insurance. Terms and conditions of dispatch with a different agreement must be in writing.

(4.8) Deliveries that contain hazardous materials must be marked in accordance with the (German) Ordinance on

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Hazardous Substances (GefStoffV). With his acceptance of the order, the supplier declares that the marking will be placed in an easily visible place on the packaging and that the delivery will be marked as such in the delivery documents.

(4.9) Deliveries must be classified as "DRC conflict-free" (DRC= Democratic Republic of the Congo) according to the SEC regulations, or their acceptance will be refused if there is any doubt, and related purchase contracts will lose all validity.

(4.10) Unless otherwise agreed, the supplier is obligated to make deliveries in the quantity ordered by IPETRONIK. If there are shortfalls or overproduction owing to production conditions, their financial feasibility shall be examined. In such cases, the deviations must be notified before delivery to IPETRONIK, and they must be approved by IPETRONIK Purchasing. Through the non-approval of an underdelivery, IPETRONIK reserves its entitlement to timely delivery of the shortfall quantity. If there is an unapproved overdelivery, IPETRONIK reserves the right to limit payment only to the ordered quantity.

## § 5 Invoice, Payment

(5.1) The supplier must submit an invoice for every delivery or service, separately from the consignment. The wording in the invoice must be the same as that in the purchase order, and the invoice must contain our purchase order number and article numbers. We shall return invoices that do not contain this data, and they will not be the basis for any due date. The payment period for settling the invoice starts on the business day following the day of receipt of a proper and verifiable invoice or of acceptance of the goods or service - whichever date is later.

(5.2) Payment will be made after receipt of the goods, error-free performance, or acceptance in the framework of the agreed payment conditions, or, if not specified, within 14 days with a 3% discount or 45 days net. The digital receipt stamp will be considered to be the date of receipt of the invoice.

(5.3) Invoices should be sent only (to the extent possible) in digital form, as an unencrypted PDF file to our e-mail address [Accounting@ipetronik.com](mailto:Accounting@ipetronik.com) and for the Bergkirchen location, to [caetec@ipetronik.com](mailto:caetec@ipetronik.com). Invoices that are sent to any other e-mail address, or by post or any other mode cannot be paid.

## § 6 Deadlines, Dates, Contractual Penalty

(6.1) Confirmed delivery dates and deadlines are binding. Receipt of the goods in proper order or problem-free provision of the service as well as handover of the documentation at the point of receiving or point of use specified by us or the punctuality of successful acceptance is the decisive factor for considering adherence to the delivery due date or delivery period.

(6.2) If the supplier realises that an agreed deadline cannot be met, for whatever reasons, he must immediately notify us of the delay, specifying the reasons and the probable length of the delay in writing. In such cases, the supplier will nonetheless take all the required measures so that the agreed delivery deadline can be met and communicate to us in writing what he has undertaken in that specific individual case and what more he intends to do. Under no circumstances does the notification of a probable delay in delivery change the agreed delivery deadline. All costs incurred by us as the result of culpably omitted or delayed information shall be borne by the supplier.

(6.3) If the supplier's delivery is delayed, we shall be entitled to the legal claims. In particular, we are entitled

after a reasonable grace period has elapsed without any effect, to demand damage compensation instead of the performance and to withdraw from the contract. We only accept deliveries ahead of schedule or partial deliveries if this has been expressly agreed. Otherwise, we reserve the right to return the delivery at the supplier's expense. Even if we were to accept the delivery, we are not obliged to make payment ahead of schedule.

## § 7 Quality, Finishing Specifications

(7.1) The purchased object must satisfy the properties or features given in the purchase order, the specifications or in the quality assurance agreement as the agreed quality features, without fail.

(7.2) Insofar as the supplier receives drawings, samples or other specifications from us, they alone are decisive for the type, quality and finish of the goods to be delivered.

(7.3) Series production may only be taken up after we have approved the sample in writing. Any doubts that the supplier has about our specifications must be brought to our attention immediately. In such a case, production or contract fulfilment may not start till there is concordance between the parties and/or the specification has been changed.

(7.4) The supplied goods must conform to the respective applicable statutory safety regulations, VDE specifications, other legal regulations and ordinances and the recognised rules of engineering.

(7.5) The supplier is obligated to provide comprehensive foreign trade data with regard to the delivered goods. This includes, in particular, the classification in the trade statistics, the country of origin, the marking and classification subject to export control and, if applicable, the provision of a certificate of origin or proof of preference. The supplier is obligated to notify us if the supplied goods are subject to the German Export Control Regulations, or are on the List of Goods, or subject to the Export Administration Regulations (EAR) of US law. Any export declarations to the final recipient are a part of the supply contract. The supplier must inform us without delay about any changes with regard to the delivered goods that relate to Foreign Trade.

## § 8 Warranties for Defects

(8.1) The supplier must ensure adherence to the guarantees given by him and ensure that the deliveries or services are free of defects or errors. In particular, they must also comply with the relevant public-law provisions, directives and regulations of the authorities, professional associations, etc.

(8.2) We are entitled to legal claims for defects. In particular, we are entitled to demand that the supplier, at our discretion, either rectify the defect or deliver or remanufacture the goods. The supplier has to bear the costs incurred in connection with defect rectification or re-delivery. The statutory right to damage compensation, damage compensation instead of the performance, or the assertion of warranty claims remains in place.

(8.3) In cases where there is a danger of disproportionately high damage or some other special requirement for urgency, we are entitled to carry out rectification of the defect at the supplier's expense, if we have attempted to reach the supplier without success, or contacting the supplier is not indicated owing to a particular urgency. This does not release us from the obligation

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of notifying the supplier immediately about such steps being taken.

8.4 The statute of limitations for our warranty claims is 36 months, unless the law prescribes a longer period for it. The period starts with the transfer of risk, but is paused during negotiations regarding a defect, and is restarted when the supplier acknowledges a defect.

## § 9 Product Liability, Indemnification Against Third Party Claims, Insurance, Industrial Property Rights

(9.1) If claims are made against us on the basis of product liability regulations due to a defective product, we shall be entitled to debit the supplier for any damages incurred by us, insofar as the supplier is responsible for the defects. The supplier shall indemnify us against claims for damages by third parties if the defect is attributable to the supplier's area of responsibility.

(9.2) The supplier must reimburse us for procedures and measures that we undertake in such cases, which are reasonable and appropriate in scope, to prevent product liability damages. We shall inform the supplier about the content and scope of such measures, especially if a recall action has to be carried out. Other legal claims that we are entitled to will not be affected.

(9.3) The supplier undertakes to take out insurance with adequate cover against all the risks that he might be subject to from product liability, and upon demand, provide evidence of such insurance.

(9.4) The supplier will ensure that the supplies or services are free of third-party copyright, especially for the contractually agreed intended use.

(9.5) The supplier shall indemnify us from claims of third parties for industrial property rights infringements resulting from such acts and reimburse us all expenses incurred by us owing to claims by third parties, if they arise because of a culpable violation of obligations by him or his vicarious agents.

## § 10 Withdrawal from the Contract, Damage Compensation

(10.1) If the supplier does not fulfil the obligation assumed with the order confirmation or does not fulfil it in accordance with the contract, then after expiry of a reasonable period for performance without success, we may withdraw from the contract and demand damages instead of performance.

(10.2) In particular, we have the right to withdraw from the contract if the supplier violates his obligation according to § 13.

(10.3) We also have the right to withdraw from the contract if the supplier stops dispatching deliveries or applies for bankruptcy proceedings to be started.

(10.4) The right to extraordinary termination for good cause in the case of continuing obligations remains unaffected.

## § 11 Retention of Title, Provisions

(11.1) We object to retention of title regulations and declarations of the supplier which go beyond the simple retention of title.

(11.2) Materials and equipment that we make available to the supplier will remain just as much our property, as the tools, drawings and other documents handed over to the supplier in conjunction with the contract sign-off or contract processing. The supplier may use the tools provided to him solely and exclusively for manufacturing the goods to be supplied to us.

(11.3) Processing or reshaping such provisions shall be done for us. Insofar as the materials provided are processed with other goods, we shall acquire co-ownership of the newly created object in the ratio of the value of materials provided by us to the other processed materials at the time of processing. Insofar as the materials provided are inextricably mixed with other materials not belonging to us, we shall acquire co-ownership of the newly created object in the ratio of the materials provided by us to the other materials at the time of mixing. If the mixing leads to the supplier's items being regarded as the main item in relation to what has been provided by us, the supplier shall transfer to us pro rata co-ownership of the new item and shall hold it in safe custody for us.

## § 12 Prohibition of Assignment

The rights and responsibilities of the supplier from the contract cannot be assigned or transferred without our written consent. § 354a HGB (German Commercial Code) remains unaffected thereby.

## § 13 Confidentiality

The supplier is obliged to keep secret all the drawings, plans, diagrams, calculations, models, samples and other documents provided to him, unless these are generally known or have been made publicly accessible. He may only disclose or transfer them to third parties with our express written consent, provided that he has placed such third parties under a comparable obligation to maintain confidentiality. The supplier shall be liable to us for breaches of contract by commissioned third parties as well as for his own misconduct. The confidentiality obligation shall continue to exist beyond the completion of the contract. The confidentiality obligation shall only expire when and if the knowledge contained in the documents provided has become common knowledge. If the supplier violates this confidentiality obligation, he shall be obliged to pay us a contractual penalty. The amount of this contractual penalty shall be at our reasonable discretion and, in the event of a dispute, shall be reviewed by the competent court as to its fairness. Other entitlements remain unaffected by this.

## § 14 Place of Performance, Choice of Law, Place of Jurisdiction, Miscellaneous

(14.1) The place of performance for the obligations of the supplier is the dispatch address specified in the purchase order.

(14.2) The Law of the Federal Republic of Germany alone shall apply to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

(14.3) The court of jurisdiction shall be the court responsible for the location of our company's registered office. However, we are entitled, at our discretion, to sue the supplier even at his general court of jurisdiction.

(14.4) If any provision of these General Terms and Conditions of Purchase ceases to be valid, this shall not affect the validity of the remaining provisions. Should a provision prove to be invalid

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or unenforceable, it shall be replaced by a new provision that comes as close as possible to the legal and economic intention of the invalid or unenforceable provision.

## **§ 15 Sustainability in the Supply Chain**

(15.1) In case of any infringements of the basic principles laid out in our "Sustainability Guideline for Suppliers" by the supplier himself or in his supply chain, we shall be entitled to withdraw from all existing purchase contracts