## **General Purchase Conditions**

Knick Elektronische Messgeräte GmbH & Co. KG



### § 1 - General

Our General Purchase Conditions apply exclusively. We are only bound to the Terms & Conditions of the supplier (both deviating as well as supplemental) when we have expressly acknowledged them individually in writing. Our General Purchase Conditions also apply to all future business activities, even when they are not expressly agreed upon separately. Conditions stipulated by the supplier do not apply; even when we do not expressly object to them.

#### § 2 - Orders

- 2.1 The supplier is obliged to confirm our orders within three days.
- 2.2 Should no confirmation take place, we are entitled to cancel the order 14 days after the order has been made.

Should the supplier already have incurred costs or expenses by this point in time, they must bear them themselves.

### § 3 - Delivery and Packaging

- 3.1 By accepting our order, the supplier agrees to comply with the confirmed date of delivery.
- 3.2 The supplier is obliged to inform us immediately, should any circumstances arise or should it become evident that they will not be able to comply with the confirmed date of delivery.
- 3.3 If any information in this regard is missing, we have the right to cancel the order and demand compensation from the supplier for damages incurred, insofar that the supplier cannot prove that they were not responsible for this situation.
- 3.4 It is the responsibility of the supplier to carry out the right method of packaging, taking into account the value, type and technology of the goods to be delivered.
- 3.5 Unless otherwise agreed, the delivery shall be carried out free of charge (DDP according to Incoterms 2010).
- 3.6 Each delivery must include a delivery slip stating our complete order number as well as clear information concerning the contents being delivered.

- 3.7 If we request with our purchase order, that the supplier shall observe substance prohibitions (e.g. RoHS), the supplier is obligated to deliver according to those regulations and shall confirm this obligation on all documents belonging to the order.
- 3.8 We reserve the right to accept over and under deliveries of the ordered quantity.
- 3.9 The supplier must ensure that the delivery of the goods is only carried out during our hours of operation, using a suitable vehicle (truck: max. 12 t). Please refer to our Receipt of Goods and Shipping Terms to see which conditions must be met.

### § 4 - Prices, Invoicing and Payment Terms

- 4.1 The prices agreed upon are binding and include, unless otherwise agreed, packaging and delivery free of charge. (DDP according to Incoterms 2010).
- 4.2 We shall only process invoices which provide the complete order number and supplier number.
- 4.3 Should it not be possible to process invoices in a timely fashion due to missing information (in particular the information referred to in No. 4.2), then the supplier is responsible for any damages incurred, unless they can prove that they were not responsible for this situation.
- 4.4 Unless otherwise agreed, the payment of invoices shall be carried out within 14 days with a 3% discount or within 30 days net of the delivery of the goods and receipt of the invoice, but not earlier than the agreed date of delivery.
- 4.5 The payment of invoices does not imply an acknowledgment that the delivery is free of defects.

### § 5 - Consigned Materials

- 5.1 Materials consigned remain our property.
- 5.2 The handling or processing of these materials are made exclusively on our behalf.
- 5.3 From the items made using the consigned materials, we acquire joint ownership in proportion to the value of the consigned materials to the other materials which were consumed.
- 5.4 At their own expense, the supplier shall put in place adequate insurance coverage against theft, water and fire damage.

Last updated: 10.03.2015

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# § 6 - Rights to Documents and Manufacturing Tools

- 6.1 Knick retains all property rights, trademark rights and copyrights, both to all files, samples, plans, drawings, programs, models, (technical) documentation, production documentation and similar information of a tangible or intangible nature as well as in electronic form too. Neither originals nor duplicates or copies may be handed over or made available to third parties in any other way without our express written consent.
- 6.2 Unless otherwise agreed, all documents are to be returned to us after finishing an order without us having to request them.
- 6.3 The tools, technical equipment and other working materials consigned by us remain our property and may only be used for production of the goods ordered by us.
- 6.4 At their own expense, the supplier shall put in place adequate insurance coverage against theft, fire and water damage for the tools, technical installations and consigned materials we provide.
- 6.5 Within the period of usage, the supplier is obliged to carry out all necessary calibration, maintenance, servicing and repair work at their own expense.
- Should the supplier negligently fail to do this and should disruptions in production occur as a result, we reserve the right to charge the supplier for any possible damage resulting thereof
- 6.6 Should we no longer permanently require the tools, technical equipment or other work equipment in the production process of the ordered goods or should the business relationship terminate, these items must be returned in coordination with us.

### § 7 - Non-Conforming Goods

- 7.1 The supplier ensures that the goods delivered to us correspond to the agreed requirements in terms of quantity and quality. If no further details have been agreed, deliveries must be made free of material and legal defects.
- 7.2 We undertake to inform the supplier of any defects identified in our incoming goods inspection within reasonable time.

  The supplier explicitly waives the objection of a belated notification of defects.

- 7.3 Should we find defects in the delivered goods, it is our decision whether the supplier must repair or replace the defective goods. We reserve the right to claim warranty, compensation for damages or to withdraw from the contract.
- 7.4 If the supplier does not rectify the deficiencies identified within a period of seven calendar days, we (also to avoid impending damage) are entitled to correct deficiencies on our own, to have third parties carry out the work or otherwise obtain a replacement at the expense of the supplier. Statutory rights of withdrawal remain unaffected.
- 7.5 The supplier is obliged to allow us and other third parties to carry out quality and certification audits (e.g. UL, FM, CSA, ATEX, IECEx, KTA) during business hours.

### § 8 - Liability

- 8.1 The supplier is obligated to take out and maintain adequate product liability insurance with a limit of liability, which takes into account the extent of the potential damages. Proof of the existence of such liability insurance must be provided at our request. If Knick is entitled to further claims for damages, these shall remain unaffected.
- 8.2 The limit of liability should be on average around 10 million euros per claim.
- 8.3 The supplier is obliged to indemnify Knick from all demands/claims or costs/damages (including the cost of reasonable assertion of legal rights or defense and the costs of a recall or warning), which arise as a result of an error being found or occurring in suppliers product. The indemnity must be made upon first written request.
- 8.4 If the supplier is partially responsible for product damage, the supplier is obliged to indemnify in accordance with No. 8.3 to the extent of its share of responsibility.

## § 9 - Property Rights

9.1 The supplier assures that upon confirming the receipt of our order that the goods, which they have delivered, do not violate the property rights of any third parties.

Upon such claims being made by third parties, the supplier must indemnify us against all such claims upon the first written request.

Last updated: 10.03.2015

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9.2 Should damage be incurred through the violation of the third-party property rights as a result of the supplier, the supplier shall be liable to the full extent.

9.3 Points 9.1 and 9.2 do not apply if the supplier manufactures goods according to our documents and hereby violates the rights of third parties.

### § 10 - Place of Jurisdiction, Place of Performance, Choice of Law

10.1 The place of jurisdiction is Berlin. However, Knick is also entitled to file a lawsuit against the supplier in other legal jurisdictions.

10.2 Unless otherwise agreed, the place of performance is our registered place of business.

10.3 The law of the Federal Republic of Germany applies with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

Last updated: 10.03.2015