

General Terms and Conditions of Purchase of the TRAPO GmbH

I. General

1.1 All deliveries, services and quotations of our Suppliers are exclusively provided on the basis of these General Terms and Conditions of Purchase. These are an integral part of all contracts we conclude with our Suppliers for deliveries and services offered by them. They also apply to all future deliveries, services or quotations to the client even if they are not agreed again separately.

1.2 Terms and conditions of business of our Suppliers or third parties do not apply, even if we do not separately object to their validity in individual cases. Even if we refer to correspondence which contains or refers to terms and conditions of business of the Supplier or third parties, this does not imply any acceptance of the validity of such terms and conditions of business.

II. Orders and contracts

2.1 Offers submitted by the supplier shall be binding in principle. In case of doubt, the binding period shall be two weeks.

2.2 Orders are to be confirmed in writing within 5 working days. If the Supplier does not accept the order within 5 working days, we are entitled to cancellation.

2.3 Within the scope of reasonableness we are entitled to request changes with respect to time and place of the delivery as well as modifications of the object of delivery in construction and/or design. The effects thereof, in particular with respect to extra costs and cost reductions as well as the date of delivery are to be agreed appropriately by mutual agreement.

2.4 Unless otherwise stated in the order, our registered office shall be the place of performance.

III. Price and terms of payment

3.1 The price specified in the order is fix and binding. The price excludes any additional charges, e.g. due to increases in wages and material prices, technical improvements etc. The price includes all expenses relating to the execution of the order. Unless other agreed, the price is to be understood free stated place of delivery duty paid ("DAP Gescher-Hochmoor" - Incoterms 2020).

3.2 In addition the price includes all required technical documentation and the necessary documentation in the quantity and language required by us. This applies in particular to a declaration of conformity and declaration of incorporation, including operating instructions, certificate of origin or supplier's declaration to be delivered to us in the agreed language.

3.3 Invoices are to be sent to us immediately after delivery. They must include a verifiable listing of all provided deliveries and services and our order data. The value-added tax is to be stated separately.

3.4 Payments are made within 14 days calculated from delivery and receipt of invoice subject to a discount of 3 % or within 30 days net, unless otherwise agreed in the orders.

3.5 Without our previous written consent, which may not be unreasonably withheld, the Supplier shall not be entitled to assign his claims against us.

IV. Dispatch, delivery time and delivery

4.1 The Supplier is responsible for proper and correct packaging and loading.

4.2 Unless otherwise agreed, packaging material remains the property of the Supplier. The proper disposal of the packaging material is the responsibility of the Supplier and shall be at his expense.

4.3 Delivery and performance dates are specified in the order. Contractually agreed delivery and performance dates must be strictly adhered to. Fulfilment on the agreed date or within a contractually specified period is of utmost importance to us. Advanced deliveries are not allowed. Partial deliveries are subject to our written approval.

4.4 The Supplier is obliged to inform us in writing without delay if circumstances arise or become apparent to him which indicate that the agreed delivery date cannot be met.

4.5 If the day on which delivery or service must be provided at the latest is determinable on the basis of the contract, the Supplier shall be deemed to be in delay upon expiry of this day without the necessity of a reminder.

4.6 In the event of delay, we are entitled to statutory claims without limitation, including the rights to withdraw from the contract and the claim for damages in lieu of performance following the expiry without success of a reasonable extension of time. If we claim damages, the Supplier shall be entitled to prove to us that he is not responsible for the breach of contract.

V. Acceptance/transfer or risk

5.1 Unless otherwise agreed, deliveries or services shall be provided at our registered office at the Supplier's expense and risk ("DAP Gescher-Hochmoor" - Incoterms 2020).

5.2 If the acceptance of a delivery or service is agreed with us, the acceptability is subject to the complete and free from defects completion of the services and deliveries to be provided by the Supplier. If a delivery or service has only minor defects, this shall not prevent an acceptance. An acceptance protocol on the acceptance shall be made to be signed by us and the Supplier. By signing the protocol, the deliveries and services are deemed to have been accepted by us and the risk is transferred to us.

VI. Property/tools/confidentiality

6.1 The parts provided by us to the Supplier remain our property. Processing or modification by the Supplier is carried out for us.

6.2 We reserve the ownership or copyright to drawings, illustrations, calculations, descriptions and other documents provided by us to the supplier. The supplier shall neither make them accessible to third parties nor use or reproduce them himself or through third parties without our express consent. He shall return these documents to us in full at our request if he no longer requires them in the ordinary course of business or if negotiations do not lead to the conclusion of a contract. In this case, any copies made by the supplier must be destroyed. Exceptions to this are only the storage within the scope of mandatory legal storage obligations as well as the storage of data for backup purposes within the scope of the usual data backup.

6.3 The Supplier is obligated to keep strictly confidential all received illustrations, drawings, calculations and any other information and documentation, also including data files. The confidentiality obligation also applies after completion of the contract.

VII. Liability for defects

7.1 The Supplier is liable to us that deliveries and services are free from defects at the time of the transfer of risk as well as correspond to the agreed specification. The Supplier shall also ensure that the services to be provided are carried out according to the accepted rules and the latest state-of-the-art technology.

7.2 We will immediately inspect the goods for possible quality and quantity deviations; the notice of defect is deemed to have been notified in time, if provided within a period of 3 working days from receipt of goods or, in case of latent defects, upon discovery thereof.

7.3 In case of defects, we are entitled to statutory warranty claims without reduction; in any case, we are entitled to demand that the Supplier, at our choice, repairs the defect or delivers a new item. We expressly reserve the right to claim damages, in particular damages in lieu of performance.

7.4 The warranty period is 30 months, starting from the date of transfer of risk, unless the law provides for a longer limitation period.

7.5 If the Supplier does not fulfil his obligation to remedy the defect, we shall be entitled to remedy the defect ourselves or by a third party at the Supplier's expense.

7.6 The acceptance or approval of provided specimens or samples does not constitute a waiver of warranty claims. Our warranty claims are also not limited by the fact that we have checked or approved drawings of the Supplier or carried out quality controls.

7.7 Should the Supplier not immediately begin to rectify the defect upon our notification of a defect, we shall be entitled in urgent cases, in particular to avert danger or avoid/limit damage, to remedy the defect ourselves or to have it carried out by a third party at the cost of the Supplier, without affecting thereby any other claims of whatever kind. We may, however, only exercise this right if we notify the Supplier with our request to eliminate the defect of an urgent case in the meaning of the preceding sentence.

7.8 The Supplier shall bear the expenses required for the remedy, in particular transport, workmen's travel, work and material costs as well as dismantling and assembly costs.

7.9 The Supplier guarantees that - if applicable - it complies with all obligations arising from Regulation (EG) No. 1907/2006 (REACH) for the substances, preparations and articles supplied by it.

VIII. Product liability; Indemnification

8.1 The Supplier is responsible for all claims asserted by third parties for personal injury or property damage attributable to a defective product delivered by it, and it is obligated to indemnify us against the liability resulting from this.

8.2 Within the scope of its liability for damages within the meaning of paragraph 1, the Supplier shall also be obliged to reimburse us for any expenses pursuant to Sections 683, 670 of the German Civil Code (BGB) or pursuant to Sections 830, 840, 426 of the German Civil Code (BGB) arising from or in connection with a recall action lawfully carried out by us. We shall inform the Supplier in good time in advance about the content and scope of such a recall measure - insofar as this is possible and reasonable - and give him the opportunity to respond.

8.3 The Supplier is obliged to maintain an appropriate product liability insurance at its own expense for the duration of the contract. Upon request, the Supplier is obliged to provide a certificate of insurance. The existence of such insurance cover does not limit our right to claim damages.

IX. Defects of title/Industrial property rights

9.1 Pursuant to paragraph 2, the Supplier represents that goods delivered by it do not infringe any third-party intellectual property.

9.2 If a claim is made against us by a third party due to an infringement pursuant to paragraph 1, the Supplier shall be obliged to indemnify us against all claims made to us by third parties due to the infringement of industrial property rights referred to in paragraph 1 and to reimburse us for all necessary expenses in connection with such claim, unless the Supplier proves that it is not responsible for the infringement of industrial property rights pursuant to paragraph 1.

X. Spare parts supply

10.1 The Supplier shall ensure the supply of spare parts/wear parts for a period of 10 years after delivery.

10.2 If the Supplier intends to discontinue production of spare parts/wear parts for the goods delivered to us, it must notify us of same promptly following the decision to discontinue. Paragraph 1 notwithstanding, such decision must be made at least six months prior to discontinuation of production.

XI. Minimum Wage Act

The Supplier complies with the Employee Assignment Act (AEntG) and the Minimum Wage Act (MiLoG). In particular, he pays to his employees the legally binding minimum wages according to these laws. In addition, the Supplier is obliged to impose the aforementioned obligations also on sub-suppliers and to ensure their observance. The Supplier holds us harmless from all claims asserted against us by third parties, in particular employees of the Supplier or a sub-supplier due to alleged violations of the Supplier or a sub-supplier against the aforementioned laws.

XII. Assignment

The Supplier is not entitled to assign its claims under the contractual relationship to third parties. This does not apply insofar as the matter involves monetary claims.

XIII. Place of jurisdiction, applicable law

13.1 Contracts concluded between us and the Supplier are subject to the law of the Federal Republic of Germany, under exclusion of the United Nations Convention on Contracts for the International Sale of Goods (CISG).

13.2 The place of jurisdiction for all legal proceedings is Münster. We are also entitled to take legal action at the Supplier's place of business.

XIV. Severability clause

In case any provision of this Contract should be void or become invalid, this shall have no effect on the validity of the remaining provisions. The void or invalid provision shall be replaced by a valid provision which is closest to the legal and economic purpose of the invalid one. As far as an interpretation of contract should not be sufficient to fill a corresponding regulatory gap, we and the Supplier commit to conclude supplementary agreements, taking account of the principles outlined above.