

Terms & Conditions of Purchase

1. General

- 1.1. These General Terms & Conditions of Purchase constitute an integral part of all purchase contracts entered into by Deutsche Einkaufsfinanzierer GmbH (“DEF”) with its Suppliers (“Supplier”) in respect of the delivery of marketable goods carried as current assets (“Goods”). They will also apply to all goods and services provided by the Supplier in the future even if not expressly agreed again. Terms and conditions of the Supplier or third parties will not be accepted even if DEF does not specifically object to them in an individual case. Even if DEF makes reference to a letter that contains or refers to terms and conditions of the Supplier or any third party, this will not constitute acceptance of any such terms and conditions.
- 1.2. The Customer will be informed (possibly in electronic form) of any changes in these Terms & Conditions of Purchase at least two months before such changes go into force and effect. Such changes will be considered to have been accepted unless the Customer objects to them in writing within six weeks after notification. The Customer’s objection will be considered to be in compliance with this requirement if sent on a timely basis. DEF will notify the Customer separately of the effect of consent at the time of notification of the changes.
- 1.3. The current version of the Terms & Conditions of Purchase is available for inspection at any time at www.einkaufsfinanzierer.com.

2. Assignment

- 2.1. DEF has assigned all claims against the Supplier arising from its contractual relationship with the Supplier, including, but not limited to, warranty claims and claims for damages, to the recipient of the Goods (“Customer”). The Supplier hereby consents to such assignment.
- 2.2. Any changes in understandings between the Parties, including, but not limited to, changes in the purchase price, time of delivery, delivery destination or delivery conditions, will be subject to the consent of DEF. Unless agreed otherwise by the Parties, the Customer is not authorized to make legally binding statements to the Supplier on behalf of DEF.

3. Prices/Payment

- 3.1. Prices are fixed prices. Unless agreed otherwise, they include the entire cost of fulfillment of the Supplier’s obligations.
- 3.2. The Supplier will submit an invoice for each shipment separately from the shipment itself. The description of the Goods in the invoice must be identical to the description in the Supplier’s quotation and include the quotation number as well as the date. Invoices that do not contain this information will be rejected and returned by DEF.
- 3.3. The Supplier must invoice each shipment no later than 30 days after delivery to the Customer of DEF. The date of the postmark will be considered the effective date for the issue of the invoice. In the event of failure on the part of the Supplier to issue any invoice within this time limit, DEF will be under no obligation to accept or pay the invoice if the Customer has exhausted its trade credit limit or its trade credit limit has in the meantime been cancelled.
- 3.4. In the case of a non-conforming delivery, DEF may withhold payment until defective performance is cured without the loss of any cash or prompt payment discounts or similar payment arrangements.
- 3.5. The Supplier may not accept any payments towards the purchase price due DEF from the Customer of DEF. In the event the Supplier should receive any such payment, the Supplier must inform DEF thereof without delay.

4. Delivery

- 4.1. Unless agreed otherwise, delivery will be made DDP (“delivered duty paid” pursuant to ICC Incoterms 2010) to the delivery destination specified in the quotation.
- 4.2. The Supplier will bear the cost of shipment, including appropriate packaging and insurance. Preference will be given to environmentally friendly packing materials. DEF will not assume the cost of transport insurance.
- 4.3. The Supplier must have delivery of the Goods confirmed by the Customer in writing.
- 4.4. The Supplier will without delay inform DEF and its Customer, the recipient of the Goods, accordingly in writing if delivery is delayed or it becomes obvious that such a delay will occur.
- 4.5. In the event of any delay in delivery, all statutory rights will inure to DEF, including, but not limited to, the right to claim damages for any loss suffered in consequence of the delay. The Supplier will assume any additional costs, including, but not limited to, replacement purchases. Acceptance of delivery, without reservation, after the agreed date of delivery will not constitute waiver of claims for damages.
- 4.6. If the Supplier is responsible for taking back packaging materials under applicable legislation, the Supplier will collect and properly dispose of such materials.
- 4.7. The transport of Goods must comply with all laws and regulations, including, but not limited to, the provisions of the Hazardous Goods Transportation Act (Gefahrgutbeförderungsgesetz – GGBefG) and applicable regulations governing dangerous goods, including the various annexes and appendices thereto.

5. Defects in Quality and Defects in Title

- 5.1. The Supplier will be responsible for delivery of Goods that are free from defects in quality and title.
- 5.2. Unless agreed otherwise, claims arising from defects in the Goods will become time-barred 24 months after delivery is completed.
- 5.3. The Supplier will at the discretion of the Customer repair or replace defective Goods free of charge. The Supplier will be allowed no more than two attempts to cure defects within a reasonable period of time. If the Supplier is notified of a defect and is obviously neither willing nor able to cure the defect as quickly as would be required to avoid unreasonable damage, DEF or the Customer may proceed to cure the defect or have the defect cured by a third party, make replacement purchases and claim damages in the amount of the required costs and expenses. If the Supplier fails to cure a defect within a reasonable period set by DEF or the Customer in writing or correction proves impossible, DEF may also reduce the purchase price, cancel the order and claim reimbursement of costs and damages.
- 5.4. The Supplier warrants and undertakes as follows:
 - (i) the Goods are in every respect in compliance with applicable provisions of law, regulations and rules of the country in which the products have been manufactured or stored or from which they are shipped;
 - (ii) the production of the Goods is of high quality and in compliance with best industry practices;
 - (iii) the Goods are safe, merchantable and fit for the purpose for which they are sold and conform in every respect to specifications;
 - (iv) the Goods are labeled in compliance with specifications and provisions of law (including, but not limited to, the provisions of law of the country in which they were produced and the country to which they are to be shipped);

(v) the Goods delivered by the Supplier do not infringe any proprietary rights of third parties in countries of the European Union or any other countries in which the Supplier produces the Goods or has them produced. The Supplier will hold DEF harmless from any claims brought against DEF by third parties due to any infringement of proprietary rights and reimburse DEF for any necessary expenses incurred in connection with such claims. This will not apply if the Supplier can prove that the infringement can neither be attributed to it nor would have been recognized by it at the time of delivery had it exercised sound business judgment.

6. Product Liability

The Supplier will be liable for all claims brought by third parties in respect of personal injury or property damage caused by a defective product provided by the Supplier and agrees to hold DEF harmless from any liability in connection with such claims.

7. Retention of Title

The Supplier will retain ownership of the Goods until the purchase price has been paid in full (simple retention of title).

8. Governing Law

All rights and obligations arising from the contract entered into by the Supplier and DEF will be governed exclusively by German law to the exclusion of the U.N. Convention on the International Sale of Goods (CISG). The courts of Hamburg will have exclusive jurisdiction over any disputes arising out of or in connection with the contractual relationship between the Supplier and DEF.
