

General Terms and Conditions of Purchase of Lederer GmbH (hereinafter referred to as Lederer)

These Terms and Conditions of Purchase shall arrange and regulate the contractual relationship between Lederer GmbH, Katzbachstraße 4, 58256 Ennepetal (hereinafter referred to as "Lederer") and any Contractual Partners supplying goods or services to Lederer

§ 1 Scope

1. Our Terms and Conditions only apply to businesses in terms of § 310 BGB (German Civil Code).
2. The following Terms and Conditions of Purchase apply to all our contracts and orders as well as to all goods or other services supplied to us, unless they have been modified or excluded according to our expressed written agreement. They also apply if our Contractual Partner supplies its goods or services to us while we know about deviating terms of our Contractual Partner. General terms and conditions of our Contractual Partner shall only be effective if we confirm them in writing.
3. Our Conditions shall also apply to all future contracts and orders even if they have not been transmitted to our Contractual Partner related to former orders.
4. Lederer's Terms and Conditions for Packing and Transport for Suppliers shall be an integral part of these Terms and Conditions of Purchase.

§ 2 Offer and Conclusion

1. If our Contractual Partner does not accept Lederer's order within 1 week from receipt, Lederer shall not be bound to this order anymore.
2. Any agreements made between Lederer and our Contractual Partner shall only be binding if they have been made in written form.
3. Any agreements made between Lederer and the Contractual Partner shall be recorded in writing. Agreements made during or after conclusion between our employees or representatives require our written confirmation to be effective; the scope of our employees' and representatives' power of representation is therefore limited.
4. Business letters of confirmation of the Contractual Partner shall not result in the conclusion of a contract with provisions deviating from our order and/or our other written statements, even if they are not expressly objected.

§ 3 Written Form

As far as these Terms and Conditions provide written form, the transmission by fax message or email shall be sufficient. A written agreement shall be regarded as concluded if we and our Contractual Partner issue statements with corresponding content in written form.

§ 4 Prices; Payment

1. The agreed price shall include all services and additional services of the Contractual Partner as well as all additional costs like packaging, transport and transport insurance as well as liability insurance, if requested. Deliveries made by the Contractual Partner shall become effective franco domicile. We shall only be obliged to return packaging if this has been explicitly agreed. All prices are net prices. The Contractual Partner shall be obliged to announce any price demands at least three (3) months before the next quarter. Such an announcement shall not automatically be regarded as an acceptance of respective demand.
2. Payment by Lederer will only effect in case of receipt of an invoice stating the order number specified in Lederer's order letter. Invoices shall be sent in writing by mail or electronically to the email address invoice@lederer-online.com.
3. Lederer's payment will effect within 30 days after receipt of goods and of receipt of a proper invoice. Payment will affect less 3 per cent cash discount for payment on receipt of invoice or within 60 days net.
4. The Contractual Partner is obliged to not to sell the supplied goods at any price that has to be classified as dumping due to the anti-dumping provisions of the European Union.

§ 5 Set-off; Right of Retention; Assignment

1. Lederer shall be entitled to set off against any counterclaim and use any right of retention in accordance with legal provisions.
2. The assignment of any claim of the Contractual Partner against Lederer shall require the explicit written consent of Lederer.

§ 6 Dispatch; Documents; Labeling of Goods

1. The Contractual Partner's deliveries shall be made franco domicile including packaging.
2. The Contractual Partner shall be obliged to adopt all order information specified in Lederer's respective order letter and print it on every shipping documents and delivery notes. Delivery notes are deemed as part of the delivery and have to be attached outside and clearly recognizable as well. Certificates, initial sample test reports (EMPB) etc. shall be submitted electronically to einkauf@lederer-online.com. In addition Lederer's Terms and Conditions for Packing and Transport for Suppliers shall apply.

3. The Contractual Partner has to care for proper packaging corresponding to the constitution and character of the goods delivered and has to obey Lederer's packaging terms and instructions to avoid any transport damage.

§ 7 Delivery; Transfer of Risk

In any case the title and the transfer of risk will be transferred to Lederer not until the goods and services have been delivered and rendered to Lederer or to the point of destination appointed by Lederer. The delivery has to be insured against damage in transit at own costs of the contractual partner.

§ 8 Day of Delivery; Delivery Schedule; Call-off

1. Delivery dates agreed upon are binding. Lederer's receipt of goods shall be decisive regarding their compliance.
2. Lederer's call-offs shall become compulsory in case the Contractual Partner does not object within 24 hours from receipt.
3. If a delivery schedule has been agreed for the delivery of goods, the quantities that have to be delivered due to the delivery schedule shall be binding for the period of one month. Moreover the quantities specified in the delivery schedule shall be deemed as planning quantities for Lederer, but those quantities are binding for the Contractual Partner.
4. In case of an advanced delivery made by the Contractual Partner Lederer shall be entitled to reject such delivery. If Lederer does not reject such delivery, the goods that have been delivered in advance shall be stored at the Contractual Partner's expense and risk until the delivery date agreed upon by contract will effect. In case of an advanced delivery Lederer shall be entitled to pay for the goods on basis of the fixed delivery date and the terms of payment agreed upon including any discount agreement.
5. The Contractual Partner shall announce any delay in delivery stating the relevant reasons and the alleged period in written form, as soon as such a delay in delivery is expected.
6. If a delay in delivery caused by Force Majeure persists more than one month, Lederer shall be entitled to withdraw from the contract after expiry of another grace period for supplementary performance set by Lederer. Force Majeure includes, for example, but not limited hereto, strike, lock out, business breakdown, official order and other events beyond Lederer's sphere of influence causing a diminished consumption.
7. Partial deliveries require Lederer's explicit consent; excess and short deliveries shall only be permitted within the usual limits in customary trade.

§ 9 Documents; Models; Drawings; Patterns; Tools

1. Drawings, drafts, calculations, models, forms, patterns and similar objects remain Lederer's property in any case and must not be made accessible or made otherwise available to any third party. They may only apply for fabrication of goods in connection with the contractual relationship. After termination of contract they have to be returned unrequested in good order and condition and without retaining any copies, single items or equivalents on the Contractual Partner's own account. They must be kept secret towards any third party.
2. In case Lederer has shared pro rata costs of any tool used by the Contractual Partner, the Contractual Partner shall not be permitted to use such tool in context with the production for any third party. This requires Lederer's explicit written consent. If the Contractual Partner is allowed to use such tool in Production for any third party with Lederer's consent, the Contractual Partner shall be obliged to pay back the pro rate tool costs provided by Lederer.
3. The Contractual Partner has to oblige its subcontractors and suppliers respectively.

§ 10 Quality of the Goods, Obligation to Inspect and Notices of Defects; Liability for Defects

1. Goods and services of the Contractual Partner must be in compliance with the specifications agreed upon and the respective state-of-the-art. Moreover they must comply with the current law, the professional association's provisions and the accident prevention regulations.
2. Lederer obtains the right to require reasonable alterations of the items delivered concerning the structure and construction. In these cases the effects, especially with regard to additional costs or cost reduction, delivery appointments as well as delivery times and periods will be determined adequately in terms with articles 315, 316 BGB.
3. The Contractual Partner is responsible to execute all technical and organizational measures which are necessary for the quality assurance of the produced and delivered products, for instance to arrange a quality management which reveals all quality characteristics graphically and in writing. The Contractual Partner guarantees the existence of the quality management system by providing a copy of the respective valid certification. In case that the Contractual Partner has no such quality management system does not exist on behalf of the Contractual Partner, it will be obliged to give self-information by answering a structured form on special request.

4. The contractual partner guarantees that the supplying goods are in accordance with the provision of samples, the prospected descriptions, generally accepted standards, environmental constraints as well as official requirements and accident prevention regulations.

5. Only Lederer obliged to reprove such defects which are obvious and detectible without any difficulty and within a period of ten working days from receipt of goods. The same applies for recognized additional services or reduced outputs. Any other recognized defects as well as additional services or reduced outputs have to be reprovved within a period of ten working days since identification by Lederer. Besides that article 377 HGB does not apply.

6. The period of limitation for claims against the Contractual Partner on the basis of defects (warranty claims) is 60 months. This period starts with the transfer of risks. As for as a longer legal period exists, this period shall be valid.

7. The Contractual partner agrees to provide the supplier's declarations for the goods supplied. The supplied goods must be in accordance with the provisions of the Regulation (EC) No 1207/01 of the European Union. The above mentioned supplier's declarations have to result in the status of the goods either as "Goods with EU preferential origin" or "Goods without EU preferential origin" respectively and have to be confirmed as well.

Moreover the Contractual Partner guarantees, that the supplied goods are originated in the country of origin stated by the Contractual Partner. The Contractual Partner agrees to provide documents and information confirming the origin of the goods without any doubt to Lederer, third parties and/or to custom authorities, the European Commission and to their employees. Furthermore the Contractual Partner undertakes to invite the respective employees of the European Commission and of the national custody authorities to the production facility in order to inspect the origin of the goods and the absence of dumping. For this purpose the Contractual Partner also undertakes to provide all necessary documents.

In case the seller has declared a statement concerning the originating statues or the EU preferential origin of the supplied goods, he is obliged to compensate for the damage that is caused by the fact that the determined origin or the EU preferential origin cannot be certified, as for example if the goods have been marked with an incorrect certification. This shall especially apply in the event that the Contractual Partner disregards the above mentioned obligations concerning the supplier's declarations or in case incorrect supplier's declarations have been issued. This liability shall solely apply to the seller in case of culpable behavior or in case of the absence of a warranted quality.

The Contractual Partner agrees to examine its goods and services if they are subject of prohibition, limitation and/or authorization with respect to the international traffic of goods (for example regarding export lists, Dual-Use VO, Us- Re- Export rules). In case of a positive examination result, this has to be marked in all offers and all further contracts and delivery documents.

8. The Contractual Partner guarantees that the supplied goods do not contain prohibit substances in terms of the respective valid version of the German Regulation named „Verordnung über Verbote und Beschränkungen des Inverkehrbringens gefährlicher Stoffe, Zubereitungen und Erzeugnisse nach dem Chemikaliengesetz“ [regulation of prohibitions and limitations of placing dangerous substances on the market, preparation and products based on the German Chemical Act]. Besides the Contractual Partner is hold responsible for he supplied goods to be in compliance with the provisions of the Regulation (EC) No 1907/2006 of the European Union concerning the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH-Regulation). All substances contained in the Contractual Partner's products must – if necessary in terms of the REACH-Regulation- be pre-registered and in cases of expiry of the transitional period afterwards be redistricted. That does not apply if the respectively substance is exempted by the REACH-Regulation. The Contractual Partner is obliged to provide to Lederer or third parties all information in terms with the REACH-Regulation. This shall apply in particular in the event that the Contractual partner's headquarters is not established in a member state of the European Union. In this case the Contractual Partner will determine an Only Representative (OR) in terms of Art. 8 of the REACH-Regulation. The Only Representative will take over the obligation of the Contractual Partner in terms of the REACH-Regulation. Besides that the Contractual Partner guarantees that its products meet all requirements of the Regulation (EC) No 1272/2008 of the European Union [CLP-Legislation] and that it also will provide all information in terms with this regulation to Lederer and third parties.

§ 11 Assignment of claims against third parties

The contractual partner assigns all claims due to performance and/or defects against third parties, including in particular suppliers and subcontractors, arising from the production, delivery or service to Lederer. Such an assignment does not limit or exclude the contractual partner's liability or obligations. However, Lederer is obliged to re-assign claims in question, once the contractual partner intends to fulfil the claims in question themselves. Furthermore, Lederer is obliged to provide necessary or useful declarations and is also obliged to perform acts of necessary or useful cooperation to third parties with respect to the claiming or safeguarding of the claims that have been assigned to Lederer, whenever the contractual partner asks for such declarations or performances.

§ 12 Product Liability, Liability Insurance

1. The Contractual partner indemnifies Lederer of all damage claims of third parties against Lederer arising from legislation on unlawful actions, product liability or by virtue of any other regulations for defects of the manufactured or supplied goods. This applies as far as such claims would be justified in relation to the Contractual Partner or solely cannot be enforced in relation to the Contractual Partner because of expiry of the limitation period of the claim. Subject to these conditions, the Contractual partner is to indemnify Lederer from all costs of legal acts which will arise against Lederer based on such claims. As far as those claims are justified against Lederer or solely cannot be enforced because of limitation period of the claim is exceeded, a proportionally claim of indemnification based on article 254 BGB exists. Lederer's claim of indemnification, right of indemnity and claims for compensation in terms of Article 437 number 3, 478, article 634 number 4 BGB remain in force beside the above mentioned regulations.

2. In the event of liability as described under section 1. of this article, the Contractual Partner is also obliged to reimburse Lederer's expenses for reduction of damage, prevention of damage, defense of damage or elimination of damage. This applies in particular for all expenses related to a product recall. If reasonable and possible Lederer will inform the Contractual Partner about the scope and the manner of those. Moreover the Contractual Partner will receive the opportunity for a comment.

Further legal claims remain unaffected.

3. The Contractual Partner is obliged to effect and conclude an insurance during the business relationship securing the risk of claims arising from product liability. For that reason the Contractual Partner will conclude a product liability insurance policy of an adequate amount. This insurance must also secure the risks of worldwide product recalls. The Contractual Partner is obliged to verify to Lederer the existence and the scope of this insurance. The Contractual Partner is also obliged to verify to Lederer that the respective insurance contributions are duly paid.

§ 13 Trade Mark Rights, Confidentiality

1. The Contractual Partner bears responsibility that the supplied goods do not affect any third parties rights, especially patent rights, registered designs, or any other copy rights or intellectual property rights. The Contractual Partner is obliged to exempt Lederer from any other third parties' claims in case of affecting the above mentioned rights. Moreover the Contractual Partner exempts Lederer from the costs associated with defending against those other parties' claims.

If Lederer is also culpable of affecting those other parties rights, a proportionally exemption demanding based on article 254 BGB will exist.

2. The Contractual Parties mutually agree to treat any commercial and technical details, which are not obvious, as well as any images, designs, calculations and any other documents, which have become known to them in the context of the cooperation, like own corporate secrets and keep them strictly confidential towards any third party. This confidential obligation shall continue to apply after the termination of the respective contractual relationship. The contractual partners agree mutually that in any case of culpable violation of these obligations a contract penalty of €10.000 shall be payable in each particular case.

§ 14 Retention of Title

1. The title of the goods is transferred to Lederer while payment of the goods has been effected. Lederer accepts a simple retention of title; any other kinds of retention of title as for example prolonged or extended retention of title or account reservation and/or group reservation of title do not apply.

2. Article 449 (2) shall remain unaffected.

§ 15 Place of Performance, Place of Jurisdiction; Governing Law

1. Unless otherwise agreed the place of performance is Ennepetal.

2. Exclusive place of jurisdiction is Ennepetal, although Lederer shall be entitled to institute proceedings against the Contractual Partner at any other venue applicable under the terms of section 12 et seq. ZPO (German Civil Procedure Rules).

2. The laws of the Federal Republic of Germany shall apply exclusively excluding the international sale of goods law, in particular the UN-Convention of Contracts for the International Sale of Goods (CISG), and any other standard international law.

§ 16 XVI Data Protection

We gather and store the data of our suppliers and service providers that are necessary for the handling of business activities. When processing personal data, we adhere to the statutory provisions. The foundation for this is our data privacy policy, which you can find on our website under the following link: www.lederer-online.com

§ 17 Legal Effectiveness

If one of the provisions or any future provision of these General Terms and Conditions of Sale is or becomes entirely or partly ineffective or if these provisions turn out to have a regulatory gap, this shall not affect the effectiveness of the remaining provisions. An appropriate and valid provision, that comes as closely as possible to the commercial meaning and purpose of the invalid provision(s), shall take the place of the invalid provision. The same shall apply in the case of a regulatory gap.