



Terms and Conditions of Purchase (As of 08/2016)

1. General information

The following terms and conditions of purchase shall apply to all purchase orders issued by Kelch GmbH. Any deviating terms and conditions included in previous offers or order confirmations of the Supplier are only applicable, if they are expressly confirmed in writing by us. Only written and duly signed purchase orders are valid. Verbal agreements shall be valid subject to written confirmation only.

2. Order confirmation

The purchase order shall be acknowledged immediately in writing including all order data. Prices, discounts, cash discounts and the earliest binding delivery date must be clearly mentioned in the order confirmation. In cases of doubt the wording of the purchase order shall be applicable.

3. Delivery

Any deviations from our contracts and purchase orders shall only be admissible subject to our prior written approval. The Supplier shall keep strictly to the date of delivery specified in our purchase orders or our single call-offs. If the Supplier encounters any difficulties in manufacturing or in the procurement of materials, or if circumstances occur which are beyond the Supplier's control, which are likely to prevent it making delivery to schedule in the specified quality, then the Supplier must inform our purchasing department without delay. The relevant number of items, weights and measures are based upon our incoming goods inspection.

4. Shipping instructions and shipping advice

For consequences arising from the non-observance of our shipping instructions the Supplier shall be liable. On the delivery day a special shipping advice including the exact list of contents with number of items, measures, weights etc., date and order number must be available to us. It has to be sent to us by post, so that it arrives before receipt of the shipment. A copy of the shipping advice shall be attached to the shipment as delivery note.

5. Pricing and passing of risk

The prices valid at the time of the purchase order being placed generally apply – also for call orders – as fixed prices. Unless otherwise agreed, all prices are to be understood carriage free to our works, including packing. For the passing of risk the legal provisions shall apply.

6. Insurance

The insurance costs for the goods will only be taken over by us, if the insurance has been demanded by us in writing.

7. Invoicing

Invoices shall be submitted immediately after delivery in duplicate and separately from the shipment. They must include the order references stipulated by us.

8. Terms of payment

Payment will be made by transfer within 14 days less 3 % cash discount or within 45 days after receipt of invoice and goods. Payment will be made subject to the reservation of checking the invoice. In any case, we reject the payment of default interest. Claims against us may only be transferred to a third party with our written prior consent.

9. Duties of inspection and complaints

§ 377 HGB (Commercial Code) shall apply with the proviso that the period for claiming is 14 days after discovery of the defect.

10. Acceptance

In the event of force majeure, which also includes events of war, in addition any interruptions of operations, strikes or lockouts and any other causes or events causing limited or disrupted operations, we reserve the right to delay and suspend the fulfilment of accepted acceptance responsibilities or to withdraw completely or in part from the contract. This cannot be used as a basis for damage reimbursement claims.

11. Compliance with ethical standards and with the German minimum wage law

11.1 The Supplier warrants that he and any other subcontractors used by him for the purpose of fulfilling the contract shall comply with the following standards:

- No tolerance of forced labour, child labour, unlawful discrimination or corruption
- Compliance with all laws and regulations applicable within the framework of the contract, in particular in relation to working hours, remuneration, occupational health and safety, safety and security, hygiene, environmental protection and the freedom to assemble.

11.2 The Supplier shall be obliged to comply with the regulations laid out in the German minimum wage law ("MiLoG") within the scope of said law, i.e. in particular to pay, upon provision of any and all work or services, his employees the required minimum wage as defined in the German minimum wage law ("MiLoG") on our behalf. The same applies to any minimum wage legislation applicable abroad. The Supplier shall under no circumstances whatsoever commission any other subcontractors for the purpose of fulfilling this contract if he is aware or unaware by negligence that said subcontractors violate any terms set out in the German minimum wage law or any other minimum wage legislation. The Supplier shall appropriately ensure that no violation of minimum wage legislation occurs, including on the part of any subcontractors used by him. The Supplier shall, at the first request, hold us entirely harmless from paying the minimum wage to employees of the Supplier as well as to employees of any subcontractors used by the Supplier.

11.3 The Supplier shall, upon request, provide us with proof of compliance with the above standards and terms.

12. Tools, models, drawings and samples

Any documents, which we place to the Supplier's disposal, such as samples, tools, models, drawings and the like shall be returned to us free of charge and without prior request from our side as soon as the documents are no longer needed for the execution of the purchase order. All documents must remain confidential and may not be made accessible to any third party.

Any products which are manufactured according to documents drafted by us, such as drawings, models and the like, or according to our confidential information or with our tools or reproductions thereof, may neither be used by the Supplier itself nor offered or supplied to third parties. All documents provided must be adequately insured against damage caused by fire, water, theft and any other catastrophe at the Supplier's costs.

13. Place of performance and legal venue

German law shall apply to all rights and liabilities arising from this business transaction. Place of performance and legal value for both parties shall be the legal seat of our company.

In the case of uncertainty regarding the translation or the interpretation of our Terms and Conditions of Purchase or in any other case of doubt, the German text of these Terms and Conditions of Purchase will prevail.