



General Terms of Purchase of AERO-LIFT Vakuumtechnik GmbH

I. Scope

These general terms of purchase are an integral part of and apply exclusively to all purchase orders of AERO-LIFT Vakuumtechnik GmbH. They form the content of all contracts entered into between AERO-LIFT and a supplier. This also applies even if we fail to explicitly make reference to them for subsequent contracts. General terms and conditions of the supplier do not apply to us, even though we fail to expressly contradict such terms and conditions. The acceptance of contractual objects does not imply an agreement with the Supplier's General Terms and Conditions.

II. Purchase Order and Order Confirmation

1. Only purchase orders that are made in writing, even via telex or e-mail, are binding. Order standards prescribed by us on an individual basis and drawings including stipulated tolerances are binding. With the acceptance of the purchase order, the supplier acknowledges that it has informed itself about the type of performance and the scope of services by inspecting the existing plans. In case of obvious errors, clerical mistakes and errors in calculation in the purchase order itself as well as in the documents, drawings and plans submitted by us. The supplier is obligated to inform us about such errors and/or mistakes such that our purchase order can be corrected and replaced. That also applies to missing documents or drawings.
2. Purchase orders are only binding for us if they are confirmed by the supplier in writing within ten (10) days after receipt by the supplier while indicating a binding delivery date, unless specified otherwise in particular cases.
3. Deviations in quantity and quality compared to the text and contents of our purchase order are to be explicitly identified. In addition to that, the supplier is obligated to notify us about any changes vis-a-vis earlier contractual conditions or catalog descriptions in writing. A contract only takes effect after we have accepted the modified conditions in writing. Even later contractual changes are only deemed as agreed upon if we have expressly confirmed them in writing. The effects, especially with regard to additional or reduced costs, are to be arranged by mutual consent.
4. Drawings, tools, samples, models, brands and packages or similar as well as finished products and semi-finished products which are handed over by us or manufactured on our behalf remain our property and may not be made available to third parties without our express written consent. Unless specified otherwise in individual cases, these must be returned immediately upon completion of the purchase order without any particular request. Products manufactured or marked with such production means, brands and packages may not be supplied to third parties without our express written consent.



III. Delivery and Performance

1. Agreed-upon dates and periods are binding. They are based on the date of the purchase order. The merchandise must be received at the destination indicated by us by the delivery date or within the delivery period. The supplier is in default if the agreed upon delivery date is not complied with. In absence of an arrangement, the supplier is in default if it has failed to comply with the usual delivery period that is appropriate based on the circumstances. The supplier is obligated to provide compensation for the damages caused by the delay. We are moreover entitled to withdraw from the contract and/or demand damages after the grace period elapses to no avail. If delays are to be expected, the supplier must notify us in this regard immediately and obtain our decision on upholding the contract. The unreserved acceptance of a delayed delivery or service does not imply a waiver of any claim for compensation due to us on account of the delayed delivery or service.
2. Partial deliveries are generally not permitted, unless we have given our express consent.
3. Prior to expiry of the delivery period, we are not obligated to acceptance.
4. If delivery cannot be effected, we are entitled to demand damage compensation and/or assert the other warranty rights.

IV. Shipping

1. Our shipping instructions must be observed. Any additional costs incurred by non-compliance with our shipping instructions must be borne by the supplier. The same applies to additional costs that are incurred for a necessary expedited transport due to circumstances that can be attributed to the supplier. We only recognize additional transport insurance policies if they have been arranged with us in writing in advance.
2. Transports are only accepted at our plant between Monday and Friday from 7:30 AM to 12:00 PM and 1:00 PM to 4:00 PM.
3. The delivery shall be effected at the costs of the supplier free of charges to the destination we specify. If, as an exception, we must bear the freight, the supplier must select the mode of transport specified by us, otherwise the most favorable mode of transport and delivery.
4. The risk passes over to us with acceptance by our receiving center. That even applies if we have assumed the costs of the shipment in a particular case as a result of a separate contractual agreement or the delivery is effected "ex works".



5. Packaging is included in the price. Should something else be agreed in exceptional cases, packaging shall be calculated at cost price. The supplier has to select the packaging specified by us, if available, and make sure that the merchandise is protected by the packaging against damage.

V. Quality, Acceptance and Notification of Defects

1. For its deliveries, the supplier must comply with our technical specifications, the applicable accident prevention regulations, VDE standards, the relevant statutory provisions and the latest generally accepted rules of good engineering practices.

2. The supplier must carry out appropriate quality testing which is tailored to the type and volume of the relevant in order to ensure the quality of its deliveries.

3. The values which are recorded during our inspection of and quality tests on incoming goods shall be the values applicable for measures, volumes and quality.

4. Deficiencies and/or defective performance of delivery must be asserted by us to the supplier within ten (10) workdays after receipt of the merchandise and in case of hidden defects within ten (10) workdays following their discovery.

In case of larger quantities, our inspections of the merchandise are limited to random spot checks. Deficiencies that are not noticed during such checks are deemed as hidden.

5. The supplier waives its right to object to the late notification of any defect and claim an unreserved acceptance.

6. We are entitled in full to assert any warranty claims given by law. Regardless of that, we are entitled at our discretion to demand that the supplier remedies the deficiency or delivers a flawless product or produces a new product. This subsequent performance shall be effected in consultation with the supplier while taking our business interests into account.

We are entitled to reduce the purchase price or withdraw from the contract if we have set a suitable period for correcting the deficiency and the said period elapses in vain. In urgent cases, we are authorized, after having notified the supplier, to make the correction or improvement on our own or have a third party make such correction or improvement. The supplier shall reimburse us for all expenses incurred.

In the event of withdrawal from the contract, we are entitled to continue to use the supplier's services free of charge until a suitable replacement has been provided. In case of withdrawal, the supplier bears the costs for removal / rectification and return transport and assumes responsibility for disposal.



VI. Prices and Payment

1. The agreed upon prices include packaging, freight and other charges.
2. If the prices are agreed based on weight, then the net weight recorded at our premises is the applicable value for calculation.
3. Payments are due and payable after receipt of the merchandise and the invoice and occurrence of the agreed upon delivery date.
Unless specified otherwise, payments must be made within thirty (30) days after delivery and receipt of invoice without a 3% discount or made in net within sixty (60) days. A discount is only permitted, if we offset or retain payments in a suitable amount; the payment period starts after completion elimination of the deficiencies.
Payments do not imply that we recognize the performance as complying with the contract. We are only in default if a payment is not effected in response to the supplier's reminder, which is received after expiry of the due date.
4. If advance payments are contractually arranged, such advance payments are due and payable once we have received in the amount of the advance payment an absolute guaranty issued by a large German bank, cooperative bank or savings bank to cover such advance payments and which is payable at first demand.
5. Claims vis-a-vis AERO-LIFT may only be assigned with our written authorization.

VII. Warranty and Liability

1. The supplier undertakes the obligation to ensure that the merchandise, including packaging and mark-up, comply with our specifications. Our purchase order and/or our contract shall be implemented properly in accordance with the current state of technology.
2. We are entitled to demand compensation for damages both in case of a breach of a major obligation or a secondary obligation. In case of damage compensation, the supplier is obligated to compensate us for the damages incurred directly and/or indirectly as a result of a deficiency. That also includes compensation of consequential damages caused by a defect. In general the supplier is liable for damages only if it caused the damages through its own fault. When assuming a procurement risk and/or a guarantee, the supplier is liable regardless of fault.
3. The warranty period is generally two (2) years starting with acceptance of the objects of delivery. It is extended accordingly if we are obligated by our customers to longer warranty periods. If a claim is asserted against us on the basis of recourse within the meaning of Sect. 478 of BGB (*German Civil Code*), the periods specified there apply.



4. In case of defects in title, the supplier shall indemnify us from any possible third party claims. The statutory warranty period applies.
5. For parts serviced or repaired within the warranty period, the period of limitations will commence anew starting on the date the improvement was performed.
6. If we incur any costs as a result of defective delivery or other faulty performance, especially transport, material and labor costs, the supplier shall reimburse us for these costs.
7. If a deficiency is noticed within six (6) months after transfer of risk, it is assumed that the deficiency was already present at the time of transfer of risk.
8. If claims are asserted against us on the basis of product liability or similar principles of liability according to foreign law, the supplier shall compensate us for the damages incurred to the extent that its deliveries and/or behavior were responsible. With regard to these claims the supplier waives the defense of limitation of time if a claim can still be asserted against us.

VIII. Industrial Property Rights

The supplier is liable for ensuring that its delivery and its use by us do not violate any third party patents or other third party industrial property rights. The supplier indemnifies us and our customers from all claims arising in connection with the use of such industrial property rights. This does not apply if the supplier has manufactured the delivered merchandise according to drawings, models or other equivalent descriptions or specifications provided by us and does not know or cannot know in connection with the products manufactured by it that industrial property rights had been violated.

IX. Force Majeure

War, civil war, export restrictions or trade restrictions due to a change in political conditions, as well as strikes, lockout, stoppages, cutting back of operations and other events, that make the fulfillment of the contract impossible or unreasonable, are regarded as force majeure and release us for the duration of their existence from the obligation of taking delivery in good time. The contracting parties agree to inform one another about such events and to adapt their obligations to the changed conditions according to the requirements of good faith.



X. Supplier's Declarations

1. An integral part of the contracts that come into force on the basis of these purchase conditions is the obligation to provide supplier declarations according to VO / EC 1207 / 01. If long-term supplier declarations should be used, we are to be informed promptly and unsolicited about changes to the original characteristic with the respective order confirmation.
2. Should the supplier declarations contain insufficient information or be considered inaccurate, and should we for this or any other reason be required by the customs authorities to submit an INF4 information sheet, the supplier shall be obliged at our request to immediately provide us with an accurate and complete INF4 information sheet, which is approved by the customs authorities, with regard to the origin of the goods.
3. The supplier assumes liability if an additional charge is levied upon us or our customers by a customs authority on account of errors in the declaration of origin or if we or our customers suffer any other financial disadvantage as a result thereof and the fault is due to incorrect details of origin provided by the supplier.

XI. Storage/Title

1. Material supplied by us remains our property. It must be stored separately as such and may only be used for our orders. The supplier assumes liability even without fault for loss or deterioration of value. Processing or alteration by the contractor shall be performed for us or at least coordinated with us. The objects that are produced with the material provided by us are our property in its respective manufacturing condition in relation to material used. The supplier shall store these objects for us; the costs for storage of the objects and materials stored on our behalf are included in the purchase price.
2. If the material provided by us is processed with other objects that do not belong to us, we become part owners of the new product in relation to the value of the material (purchase price plus VAT) and the other objects processed at the time they are combined. If the combination is implemented in such a way that the material of the contractor is to be regarded as the main object, it is then agreed that the contractor transfers co-ownership to us on a pro-rata basis; the contractor shall keep the solely owned or co-owned object in safe custody for us.
3. If the supplier contractually agrees to manufacture tools, the tools become our property upon completion and receipt of payment of the production costs. If the tools remain at the supplier's premises for the production of parts, the delivery of the tools is set off by the supplier taking care of and keeping the tools in safe custody for us. The supplier is permitted to use the tools solely for production purposes. We are entitled to demand the supplier to hand over the tools at any time. In addition to that, the provisions cited in Para. 4 also apply.



4. We retain ownership to the tools made available to the supplier. The supplier is obligated to utilize the tools exclusively for the production of the merchandise ordered by us. The supplier is also obligated to insure at its own expense the tools belonging to us at new value with regard to fire and water damage and against theft. At the same time, the supplier hereby assigns any and all damage claims arising from this insurance to us; we accept such assignment. The contractor is obligated to duly perform any necessary servicing and inspection of tools belonging to us as well as all maintenance and repairs in good time at its expense. It must inform us immediately about any problems; should it culpably fail to do so, the damage claims are in no way affected.

5. All documents provided by us remain our property. They may not be disclosed nor made available to third parties and must be returned to us unsolicited in full upon completion of the contract. Third parties do not include the specialists and subcontractors employed by the supplier provided that they have undertaken obligations vis-a-vis the supplier to maintain confidentiality in the same manner. The supplier is liable for all damages that we suffer as a result of the violation of this obligation (also see XII).

XII. Business Secrets

The supplier is obligated to treat our purchase orders and all commercial and technical details relating to such orders as confidential.

XIII. Publication/Advertising

Any assessment or announcement of existing business relations with us in publications or for advertising purposes is only permitted subject to our express prior consent in writing.

XIV. Final Provisions

1. Verbal ancillary arrangements are not valid unless made in writing.
2. The transfer of the supplier's rights and duties arising in connection with the contract with us is not valid without our prior written approval.
3. Should any individual provision or provisions or any part of any provision be or become void, the validity of the remaining provisions hereof shall in no way be affected.
4. Place of performance is the location and/or destination specified by us; for payments that is Geislingen-Binsdorf, Germany.
5. For any disputes which may arise from the contractual relationship if the supplier is a merchant, a legal entity under public law or a public special asset, legal proceedings must be instituted at Amtsgericht Stuttgart (*Stuttgart District Court*) or Landgericht Stuttgart (*Stuttgart Regional Court*).



6. The legal relation is governed exclusively by German law, excluding the Law on the International Purchase of Movable Goods.