



**Technische Textilien
Lörrach**

**General Terms and Conditions of Purchase
Technische Textilien Lörrach GmbH & Co. KG
(Effective: August 2006)**

§ 1

Our Terms and Conditions of Purchase shall be exclusively applicable to all purchase orders, unless we have concluded deviating individual agreements in writing with the supplier or work contractor (subsequently jointly referred to as the supplier). Adverse, deviating terms and conditions of the supplier shall only be applicable if we have explicitly consented to them in writing.

Our Terms and Conditions of Purchase shall also be applicable to all future business transactions with the supplier.

§ 2

- I. Only written purchase orders and agreements shall be binding.
- II. The supplier shall confirm the purchase order in writing immediately. If we have not received the order confirmation within 14 days after the date of the purchase order, we shall be entitled to cancel the purchase order without the supplier being able to derive any claim from this action.

§ 3

The prices stated in our purchase order shall be firm prices. If the supplier has reduced its prices by the date of delivery, the then applicable prices shall be charged.

§ 4

We reserve the right of ownership and the copyright in illustrations, drawings, calculations and other records which accompany our purchase order. They may not be made available to third parties without our explicit written consent. They are to be used exclusively for production in accordance with our purchase order.

§ 5

- I. Deliveries and performances shall be effected on the dates indicated in our purchase orders. For the fulfilment of the delivery deadline, receipt of the delivery at the destination is decisive. Our goods receiving hours are known to the supplier and shall be observed.
- II. Partial deliveries or early deliveries shall only be permitted with our consent. Otherwise we shall be entitled to refuse acceptance and return the shipment. In case of an early delivery, we shall also be entitled to store the delivery at supplier's risk and cost.
- III. If the agreed date of delivery is exceeded, we shall be entitled to demand a penalty of 0.5 percent of the agreed overall price of the delivery for every completed week of delay, however, maximum 5 % of this overall price. Further legal rights remain unaffected. The supplier shall be free to prove that the damages were less than the contractual penalty.
- IV. Force majeure, plant interruption, legal strikes and labour dispute or other unpredictable, inevitable and serious obstructions shall release the contracting parties from the obligation of performance for the duration of the interruption and its effects. The contracting parties shall be obliged to notify the existence of such reasons immediately, provide all required information and adapt their responsibilities to the changed conditions in good faith in an appropriate manner.



§ 6

- I. The supplier shall be responsible for the exact adherence to the type of transport and address of shipments stipulated in the purchase order. In case of non-compliance with our dispatch instructions, we shall charge the additional costs incurred to the supplier.
- II. If the agreed date of delivery is exceeded due to the non-compliance with our dispatch instructions, we shall be entitled to the rights stipulated under § 5 III. In case of repeated delays in delivery due to the non-compliance with our dispatch instructions, we shall be entitled to refuse acceptance of the goods and to withdraw from the contract.
- III. If nothing to the contrary has been agreed, all deliveries shall be free domicile including packaging.

§ 7

- I. The invoice shall be submitted stating the transaction number, purchase order number, a description of the article/performance and dispatch date in agreement with the delivery note/dispatch advice in duplicate. If such details required for invoice verification are missing, the supplier shall not have complied with its delivery obligations. We shall be entitled to store the delivery at supplier's risk and cost until the matter has been rectified.
- II. If nothing to the contrary has been agreed, we shall pay, at our discretion, within 10 days with a cash discount of 4 %, within 30 days with a cash discount of 2.25 % or within 60 days net. We reserve the right of selecting the means of payment. The payment period shall start with the complete receipt of goods according to the contract and the receipt of the proper invoice in accordance with § 7, I., however, not before the agreed date of delivery.

§ 8

The risk shall pass to us once the delivery has been properly handed over to us at the stated destination or has been accepted by us. This shall also be the case if we involve our own transport persons in exceptional cases.

§ 9

- I. We shall be obliged to inspect the goods for obvious defects, identity, shortage as well as transport damage within an appropriate period of time. There shall not be any An obligation for additional inspection shall not exist. Defects shall have been notified on time if they are indicated within an appropriate period of time after their discovery. Insofar the supplier waives the objection to a late notification of defects.
- II. The supplier warrants that the delivered goods, at the time of delivery to us, are free of defects and free of deficiencies of title that the delivered goods shall correspond to the recognised rules of the art as well as all special legal provisions and regulations of authorities, particularly the standards mentioned in § 11 and § 13. In case of different definitions of these standards, the German wording shall be applicable. If the delivery/performance does not correspond to these requirements, we can demand rework or a replacement of the defective goods at our discretion.
- III. Furthermore, if defects occur, we shall be entitled to rectify the defects ourselves, have them rectified by a third party or procure replacement in any other way for the account of the supplier after the unsuccessful expiry of an appropriate period of grace or - if it is not possible to stipulate a period of grace because of the urgency of the matter - after notification of the supplier.
- IV. The supplier shall bear all costs for rework or replacement deliveries at the respective place of use of the goods. We shall inform the supplier of the place of use upon request.
- V. The period of limitation for claims arising from defects amounts to 36 months after the delivery of the goods to us - or if this has been agreed - after the date of acceptance.



**Technische Textilien
Lörrach**

- VI. If the supplier repairs the objects of delivery or replaces them completely or partly, the period of limitation of § 9. V. shall commence again unless the matter involves an insignificant rework effort or an explicit goodwill operation of the supplier.
- VII. The supplier shall guarantee the availability of all spare parts for 10 years. Supplied parts shall correspond to the respective state of the art upon delivery.

§ 10

- I. In case we are held liable by a customer or any other third party on basis of product liability, the supplier shall be obliged to indemnify us from such claims upon first written request if and to the extent to which the damages have been caused or contributory caused by a product supplied by the supplier. However, in cases of liability for fault this shall only be applicable if the supplier is at fault.
- II. If the cause of the damage is in the area of the responsibility of the supplier, the proof of causativeness of the fault for the damage shall be sufficient, otherwise the supplier shall bear the burden of proof.
- III. The supplier shall assume, in any case, the costs and expenses including the costs of a possible legal pursuit or recall action corresponding to its share in causing/being responsible for the damage; this shall also be applicable in case of recognisable or impending serial faults.
- IV. The supplier commits itself to cover its liability risk by an insurance policy and to provide evidence of the appropriate cover to us upon request.
- V. The supplier shall bear any losses resulting from the non-compliance with these conditions. Furthermore, the supplier shall be liable for every, even ordinarily negligent behaviour of its employees or representatives.
- VI. Furthermore, claims for damages against us - irrespective of their kind - shall be excluded if we, our legal representatives or vicarious agents have caused the damage by ordinary negligence. This liability exclusion shall neither be applicable to physical injury nor to a material violation of contractual obligations which endanger the performance of the purpose of the contract. However, our liability shall be limited to the damage typical for the contract and predictable.

§ 11

The manufacturer shall be obliged to execute the order/purchase order in such a way that the "Directive of the Council of the European Community" dated 30 November 1989 concerning the minimum safety and health requirements for the use of work equipment by workers at work (89/655/EEC) – also called EC Work Directive – the Act on Technical Equipment (Equipment Safety Act), the statutory regulations enacted on basis of the Equipment Safety Act and the EU standards applicable at the time of the delivery are observed. This obligation shall be an integral part of the contract. If it is not complied with, the contract shall not have been performed properly; irrespective of the warranty, further claims for damages due to resulting consequences are reserved.

§ 12

The supplier shall render its performance free of rights of third parties. In case of a violation of this provision, the supplier shall pay damages and indemnify us for the claims of third parties upon first written request. The supplier shall warrant that the industrial property rights of third parties are not violated after the delivery and use of the goods/performance.

§ 13

In addition, the following shall be applicable to assembly, repair and other work on our premises:



**Technische Textilien
Lörrach**

The supplier shall be liable for the compliance with the provisions of the social insurance against occupational accidents and accident prevention provisions. The supplier shall be liable for all losses caused by it or its vicarious agents.

We shall not be liable for any loss of or damage to tools etc. of the supplier if we have not explicitly taken them into our custody.

§ 14

In addition, the following shall be applicable to textile finishing orders:

In case of improper outturn or other justified finishing complaints, the supplier (finisher) shall get the opportunity of reworking the goods. If such rework is not possible any more or if it fails, we can demand compensation in damages.

§ 15

The supplier commits itself to absolute confidentiality in relation to all parts of our purchase orders and inquiries. The transfer of information, particularly concerning our production facilities and the type of production, to third parties is explicitly prohibited.

§ 16

Assignment or pledging of rights accrued to the supplier from this contract may only be effected with our written consent. This shall not apply to monetary claims. However, we can perform to the supplier with relieving effect.

§ 17

- I. Place of fulfillment for all deliveries and performances shall be Lörrach.
- II. **Place of jurisdiction shall be Lörrach.** However, we are also entitled to bring any matter before the court competent for the domicile of the supplier.
- III. German law shall be applicable.

§ 18

The ineffectiveness of individual provisions shall not affect the validity of the other provisions.

§ 19

In a supplementary fashion, the Uniform Terms and Conditions of the German Textile Industry shall be applicable.
