General Terms of Purchase

1.0 General Provisions
1.1 Our terms of purchase apply exclusively. We do not recognise any Supplier terms of business that are in conflict with or differ from these terms of purchase unless we have specifically approved these in writing in advance. Our terms of purchase also apply to all future purchases, even if these terms have not been specifically agreed in each case and even if we have accepted the delivery without reservation in full awareness of some terms of business of the Supplier that are in conflict with or differ from our terms of purchase.
1.2 All agreements between us and the Supplier regarding the execution of this agreement must be in writing or be confirmed in writing.

2.0 Order, offer, documents
2.1 The Supplier must accept orders within five (5) days of the order date by written confirmation.
2.2 We retain all property rights and copyrights to information – including information in electronic form – illustrations, drawings, calculations and other documents. The documents may be used only for production in execution of our order. Strict confidentiality must be maintained regarding these documents and they are to be returned voluntarily once the order has been completed (cf. sections 10.3 and 16).

3.0 Prices, terms of payment
3.1 The price indicated in the order is binding irrespective of any fluctuations in currency and, in the case of suppliers inside Germany, is quoted before the statutory amount of turnover tax. Unless otherwise agreed in writing, the price includes "carriage paid" delivery (in the case of import transactions “DDP Incoterms 2000”) along with packaging, transport and insurance costs. The Supplier must provide suitable insurance for the merchandise. Packaging materials can be returned only by special agreement.
3.2 Invoices can be processed only if these indicate the order number and turnover tax identity number as specified in our order. The Supplier is responsible for all consequences arising from his failure to comply with this obligation.
3.3 Unless otherwise agreed in writing, we pay purchase prices net within a period of ninety (90) days of the date of delivery and receipt of invoice.

4.0 Term of delivery, default of delivery
4.1 The time of delivery shown in the order is binding.
4.2 We can accept partial deliveries only after we have given our express prior consent.
4.3 We shall have recourse to all statutory rights and claims in the case of any default of delivery. We are specifically entitled to demand indemnity, after unsuccessful expiry of a suitable extended period – and even without grant of an extended period in the exceptional cases provided in law. In the case of default of delivery, we are furthermore entitled to demand a contract penalty amounting to 0.5 % of the delivery value for each completed week of delay, but not totalling more than 10 % of the delivery value.
4.4 Unless evidence is furnished to the contrary, the values we establish for numbers of units, weights and dimensions when inspecting incoming goods shall be considered binding.

5.0 Transfer of risk, documents, shipping
5.1 Unless otherwise specified in the order or elsewhere agreed in writing, deliveries must be carriage paid; in the case of import transactions they must be “delivered duty paid to 42477 Radevormwald, Germany” (DDP Incoterms 2000), incl. packaging, transport and insurance by the Supplier. Choice of the haulier shall be agreed with us in advance if customs clearance is necessary. In the case of international transactions, any deviating provisions are to be agreed and interpreted according to Incoterms 2000 issued by the ICC Paris.
5.2 The Supplier is obliged to indicate precisely our order number and article number on all shipping documents and delivery notes. Any failure on the part of the Supplier in this regard will inevitably result in delays in processing, for which we shall not be responsible.
5.3 Our delivery addresses are indicated in the order. Deliveries can be accepted only from Monday to Friday between 7:00 a.m. and 2:00 p.m. Deliveries are to be co-ordinated with us at least one working day in advance in each case.

6.0 Examination for faults, warranty, quality requirements
6.1 Delivered goods shall be accepted pending an examination for accuracy and suitability of the goods. Within a suitable period after receipt we shall examine the delivered merchandise only from the point of view of identity, quality and externally recognisable transportation damage. A complaint shall be considered duly made if it is served to the Supplier within a period of seven (7) working days (or within a period of ten working days when outside the European Union) of the fault being detected. In urgent cases or in cases of impending danger, we are entitled, at the cost of the Supplier, to replace or improve faulty parts and to remove any incurred damage or to have such work carried out by a third party at the cost of the Supplier.
6.2 We have a right to all statutory warranty claims in full. Notwithstanding this right, we are also entitled to demand from the Supplier, at our discretion, either removal of the fault or subsequent performance. In such cases, the Supplier shall be obliged to bear all costs necessary to the purpose of removing the fault or providing compensation delivery. We expressly reserve the right to demand compensation, specifically compensation instead of the agreed performance.
6.3 The warranty period extends for twenty four (24) months, commencing with the date we receive the goods or specification of the delivery address.
6.4 Quality control agreements/framework agreements for quality relevant products shall be concluded at our request.
6.5 Unless otherwise agreed, the Supplier shall provide performance in full compliance with the valid rules and regulations of engineering and technology, environment protection, accident prevention and other work protection regulations applicable in Germany as well as the generally accepted regulations of safety engineering or occupational medicine.
6.6 In each case of a complaint for which the Supplier is responsible, we shall additionally be entitled to charge a lump sum of compensation of € 150.00 to cover administrative expenses without having to provide evidence of the relevant expense.

7.0 Product liability, release from liability, third-party liability insurance protection
7.1 If the Supplier is responsible for a faulty product, he shall release us from all indemnity claims raised by a third party in this regard on first demand.
7.2 Within the framework of the above, the Supplier is also obliged to reimburse us for any expenses arising from or in connection with some recall measure we are obliged to carry out. We shall, insofar as possible and reasonable, inform the Supplier on request regarding the nature and scope of the intended recall measure and allow the Supplier an opportunity to respond.
7.3 The Supplier undertakes to take out and maintain a product liability and recall insurance with a cover amount (lump sum) of at least EUR 5 million for each case of personal injury and material damage. This insurance shall not prejudice any further indemnity claims due to us.

8.0 Force majeure, bankruptcy, insolvency
8.1 Force majeure, labour disputes, non-culpable operational disturbances, civil unrest, administrative measures and other unavoidable events or circumstances shall entitle us to withdraw from the contract in part or in full, provided such events or circumstances result in a significant reduction of our requirements.
8.2 If a contract partner discontinues payments or if bankruptcy proceedings are commenced on the partner’s assets or if application is filed for court To Be Precise.
or out-of-court composition proceedings, the other party shall be entitled to withdraw from the agreement with regard to the performance part not yet provided.

9.0 Industrial property rights

9.1 The Supplier must guarantee that the contract products are not in breach of any brands, trademarks, copyrights or other industrial rights (including business or manufacturing secrets) of a third party. If legal action is taken against us by some third party regarding the use or possession of delivered goods, the Supplier shall be obliged to release us from such claims on first written demand.

9.2 The Supplier's obligation to release us must also cover all expenses that become necessary due to or in connection with the defence against action taken by a third party.

9.3 If we purchase intellectual performance from the Supplier, the Supplier shall be obliged to grant us the exclusive right of use to this performance.

10.0 Retention of title, orders, confidentiality, tools

10.1 If we provide parts to the Supplier, we reserve the title rights to such parts.

10.2 We also reserve the title rights to tools. The Supplier must mark the tools we supply accordingly. The Supplier is obliged to use the tools exclusively for the manufacture of the goods we order and to insure the goods belonging to us against fire, water and theft at their replacement value at his own cost. The Supplier shall also carry out punctually all necessary maintenance work at his own cost. The provisions pursuant to section 15 below shall apply supplementary.

10.3 The Supplier is obliged to treat all illustrations, drawings, calculations and other documents and information we provide with strict confidence, and may disclose these to third parties only with our express permission. This confidentiality obligation shall continue to apply even after this agreement has expired and shall end only when these documents and information have come into the public domain.

11.0 Other liability

Unless expressly set forth in these terms and conditions, all further contractual and statutory claims against us, especially claims for compensation for damages of any type, including indirect or consequential damage, are excluded. We shall, however, be liable in every case for damage arising from gross negligence and infringement of essential contractual obligations. This liability is, however, limited to the typically recurring damage resulting from culpable injury to life, limb and health, from guarantees provided, to cases of fraudulent intent or to other cases of mandatory statutory liability.

12.0 Place of performance, legal venue, applicable law

12.1 Place of performance is the official place of business of our plant in 42477 Radevormwald, Germany.

12.2 All disputes arising from or in connection with agreements based on these terms shall be decided by the state courts of jurisdiction for our official place of business in Radevormwald, Germany.

12.3 In the case of disputes with suppliers that have their place of business outside the European Union or the zone of the European Free Trade Association (EFTA – especially Iceland, Liechtenstein, Norway, Switzerland), the matter shall be decided finally and binding on all parties by an arbitration court constituted in accordance with the composition and arbitration regulations of the International Chamber of Commerce of Paris, instead of by the state courts as specified under section 12.2. Venue of arbitration is Radevormwald, Germany.

12.4 We are also entitled in every case to appeal to the court of jurisdiction for the Supplier's official place of business.

12.5 All agreements concluded on the basis of these terms are subject to German law. The UN convention on International Purchase Agreements of 11 April 1980 shall have priority in the case of international agreements.

13.0 Miscellaneous

13.1 Contractual rights and obligations of the parties cannot be transferred without prior consent.

13.2 The Supplier is entitled to rights of retention or set-off only with regard to undisputed or legally established claims.

13.3 An agreement concluded on the basis of these terms and conditions shall remain otherwise binding even if certain terms and conditions herein are found to be void or ineffective in law. 13.4 All amendments, supplements and other sub-agreements to these terms and conditions or to agreements reached between the parties must be in writing.

13.4 If a gap emerges in the provisions of the above terms and conditions, the relevant statutory regulations shall apply.

14.0 Spare parts

The Supplier is obliged to supply spare parts for the period of anticipated technical use, but at least for 15 years after delivery. If the Supplier discontinues manufacture of the relevant spare parts, he shall be obliged to give us an opportunity in writing to make a final order and/or to provide to us on request all equipment and documents necessary for manufacture of the spare parts and to grant us the right to use these free of charge.

15.0 Terms of purchase for tools

15.1 The provisions under sections 15.1 to 15.5 shall apply by way of supplement to the present terms and conditions if the Supplier uses tools for our present or future orders for which we pay the manufacturing costs by agreement. The term tools shall mean for the purpose of these terms and conditions all types of tools, especially punching and cutting tools, die cast moulds, press moulds, chill moulds, models, imprints, etc.

15.2 After they have been manufactured or procured by the Supplier, the tools shall become our property. All production drawings necessary for manufacture of the tools are part of the scope of delivery. Transfer of ownership of these tools can take the form of Supplier storing the tools for us free of charge. Section 15.5 shall apply accordingly. With transfer of ownership we also assume the right to grind the tools at our own discretion.

15.3 The Supplier shall maintain the quality of the tools at his own cost and renew these wherever necessary during the period of technical use. Section 15.2 shall apply accordingly with regard to the renewed tools.

15.4 The Supplier may not provide the tools to any third party nor use them for its own or a third party purpose without our written consent.

15.5 The Supplier guarantees that he shall in all cases operate with all the due care and caution of a prudent businessman.

16.0 Confidentiality

16.1 The parties to the agreement agree to maintain strict confidentiality regarding all commercial and technical details of their mutual business relationship, until such information has come into the public domain and disclosure of such information is not due to any infringement of this confidentiality undertaken by the party to the agreement. The confidentiality obligation shall also apply to the objects and information stated in section 10.3, which may not be copied or disclosed or otherwise made available to any third party without proper authorisation.

16.2 The parties to the agreement shall enter into the same confidentiality obligation as described under section 16.1.

17.0 Data processing, former general terms of purchase

17.1 We and the companies affiliated to us are entitled to store and process any data arising in connection with business contracts in accordance with the German law.

17.2 Any former general terms of purchase are hereby cancelled.

Schleuniger GmbH
Raiffeisenstr. 14 • 42477 Radevormwald • Germany

update: 03/10

To Be Precise.