



General Terms of Purchase

I. Area of Application and Contractual Basis

1. Unless otherwise agreed, these General Terms of Purchase shall apply for all contracts of Jahn GmbH (hereinafter “JAHN”) with regard to the purchase (the “Orders”) of products, materials, raw materials, machines, tools and replacements etc. (the “Deliveries”) or services (the “Services”), even if these orders are individual orders or if they have been placed based on a master agreement. Divergent Seller’s terms and conditions as well as any other arrangement shall only apply in cases where JAHN explicitly accepted those in writing. In case the request for amendments directly or indirectly stated by the Seller have not been explicitly disagreed by JAHN or in case of an acceptance of Deliveries and/or Services respectively its payments by JAHN without express disagreement, an inclusion of the divergent conditions or parts of them can not be derived.
2. These General Terms of Purchase shall also apply for all further transactions with the Seller, as far as the transactions are legal transactions with regard to the same manner.
3. These General Terms of Purchase shall only apply to entrepreneurs, legal persons under public law and special funds under public law according to Section 310 Subsection 1 of the German Civil Code.
4. The Seller ensures a competitive technology-, quality-, service- and price level with regard to its Deliveries and/or Services.

II. Order and Temple

1. The orders by JAHN and amendments or supplements to the orders as well as other arrangements with regard to the agreement are binding provided that JAHN declares or confirms them in writing. Coequal to the written form are orders or confirmations submitted by fax or electronic data transfer.
2. JAHN shall be entitled to revoke the order free of charge in case the Seller does not accept the order within one week as of access. Delivery schedules are binding at the latest, when the Seller does not disagree within two working days as of access.
3. Prior to the beginning of a series production JAHN can demand samples from the Seller; these samples including all required documents have to be delivered by the Seller on the expense of the Seller.



III. Periods and Terms

Agreed periods and terms are binding and - unless otherwise agreed - refer to the provision of Deliveries and/ or Services complete and free of defects at JAHN. JAHN is entitled to assert all claims arising from the failure of the Seller to comply with agreed delivery commitments. In case of expected or occurred delays the Seller must inform JAHN immediately. Delivery commitments prior to maturity are to be consented by JAHN in writing.

IV. Execution and Delivery

1. A delivery note stating the order-number of JAHN, the description of the content with identity and quantity as well as further documents to be named by JAHN on an individual basis if required have to be attached to the delivery.
2. Partial-deliveries and/or partial-services are to be consented by JAHN in writing. In case of provisioned partial-deliveries and/or partial-services by the Seller the Deliveries and/or Services are not rendered until it has been rendered all in all.

V. Prices

1. Unless otherwise explicitly agreed on an individual basis the agreed prices are fixed prices. Changes in price made by the Seller are not permissible unless JAHN confirms them in writing. The Seller has to bear customs duties, taxes as well as any other duties and taxes with the exception of VAT.
2. In case a reduction of prices on the market occurs until the Deliveries and/or Services took place, the agreed prices will lapse. On request of JAHN new prices have to be renegotiated. In case the Seller cannot or is not willing to reduce the prices onto the new level, JAHN is entitled to terminate the contract within an adequate period of time.

VI. Payment

1. Unless otherwise agreed payment terms are 14 days less 4% discount, within 30 days less 2% discount or within 90 days without deduction. The term runs from the time when the contract has been fully executed by the Seller and JAHN has received a proper invoice in conformity with the placed Order including the order-number, item-number, quantity and unit price. Received invoices which are not proper are only deemed to be accessed at JAHN at the time of their correction.
In case of Deliveries and/or Services rendered prior to maturity, the payment term shall commence not earlier than at the time of the agreed Delivery and/or Service.
2. In case of defective Deliveries and/or faulty Services JAHN is entitled to withhold an appropriate part of the invoice amount until the proper performance of the contract.



VII. Transport, Packing and Passing of Risk

1. Unless otherwise agreed, transport of the goods shall be carried out DDP including all auxiliary costs and packing.
2. The Seller shall be liable to ensure the quality of the Deliveries by appropriate means of transport and packing.
3. The passing of the risk will not take place until the Deliveries and/or services have been rendered at JAHN.
4. After payment the property of the delivered goods passes on to JAHN.

VIII. Notification of Defects

An incoming goods inspection will be done by JAHN only with regard to identity and amount as well as externally visible damage. Such defects will be stated by JAHN without delay. Furthermore, JAHN will notify the Seller immediately about defective Deliveries and/or faulty Services discovered under normal business conditions. Insofar the Seller waives the objection of delayed notification of defects.

IX. Warranty of Material Defects and Legal Defects

1. The Seller warrants that the Deliveries and Services will feature the contractually warranted characteristics and will conform to the acknowledged rules of technology. Furthermore, the Seller warrants that the Deliveries are not affected by defects that cancel or reduce its value or its suitability for the customary use or the use assumed under the contract.
2. In case of delivery of defective goods JAHN shall be entitled to demand either replacement delivery or repair. Increased costs arising at JAHN to comply with own delivery commitments – due to the replacement delivery or repair – are to be borne by the Seller.

In urgent cases – if possible, after previous information of the Seller as possible – JAHN is able to carry out a possible repair on its own or by a third party or to purchase objects of agreement free from defects from a third party if applicable to the necessary extent to comply with own delivery commitments.

3. Unless otherwise agreed by the parties, the warranty period for material defects and legal defects shall be 36 months calculated from the passing of the risk according to chapter VII. no. 3.
4. The period of limitation for material defects will start for the respective parts at the time the replacement delivery or repair has taken place.
5. The objection of unconditional acceptance is excluded in any case.



6. Unless the aforesaid regulated otherwise, the warranty shall be subject to the statutory provisions incidentally.

X. Liability

1. The Seller has to compensate damages of JAHN resulting from a defective Delivery and/or faulty Service or any other breach of contractual duty within the scope of the statutory provisions.
2. The Seller shall be responsible for the product liability of its Deliveries within the scope of the statutory provisions. If a third party – irrespective of legal basis – assert a claim against JAHN arising from a material- or legal defect or any other defect of the Deliveries and/or Services of the Seller, the Seller is obliged to indemnify JAHN in the internal relationship against all such claims on first demand.

XI. Retention of Title, Assignment and Set-Off

1. Any extended or enlarged retention of title is excluded.
2. The Seller is not entitled to assign any of its claims against JAHN to a third party without prior written consent of JAHN. JAHN cannot refuse the consent inequitable.
3. JAHN is obliged to offset own claims against any other claims of the Seller.

XII. Tools

JAHN reserves the right of property with regard to any tools used to produce the object of delivery. The Seller is obliged to use the tools only for production of the agreed objects of delivery. The Seller is only entitled for disposition of the tools effectively or legally, to relocate them or to make them permanently inoperative with prior written consent of JAHN. The costs for maintenance, repair and replacement of the tools are to be borne by the Seller. The same applies to replacement tools. Incidentally, the separately agreed arrangements shall be effective if applicable (the “Tooling Agreement”).

XIII. Consignment

1. Materials, parts, containers, special packing, tools, measuring equipment or the like (the “Consignments”) provided by JAHN to the Seller will remain property of JAHN. The Seller is obliged to handle them with care, to stock them adequately and to insure them against theft, fire- and water damages as well as any other damages. The processing of the Consignments shall occur exclusively on behalf of JAHN.
2. Copies of the Consignments shall not be made without prior written consent of JAHN; such copies will become the property of JAHN.



3. The Seller has – irrespective of the basis – no right of retention with regard to the Consignments. Consignments as well as copies of them must not be made accessible to third parties or must not be used for other than the agreed purposes.

XIV. Trademark Rights of Third Parties

The Seller is liable that all Deliveries and/or Services are free of third parties' rights. Furthermore, the Seller is liable that the Deliveries and/or Services or their contractually use are not in breach with patents, licences or any other trademark rights of third parties in JAHN's home country and any foreign country.

XV. Confidentiality

1. The parties pledge that they will keep all not obviously commercial and technical information, which they get to know by the business relationship, confidential and will not pass them to third parties.
2. All documents such as samples, drawings, plans, illustrations and similar documents provided by JAHN are to be handled with reasonable care and confidentiality. Such documents must not be made accessible or left to unauthorized third parties. Furthermore, such documents shall only be copied within the scope of the company requirements and within the scope of copyrighted provisions. If the Seller breaches these obligations and damages occur on behalf of JAHN, the Seller is obligated to pay these damages.
3. The Seller shall observe strict confidentiality with regard to the business relationship with JAHN.

XVI. Contractual Penalty

1. In case of a delay in Delivery and/or in rendering the Service JAHN shall be obliged to claim a contractual penalty in the amount of 0.2% of the total order value per working day, but not more than 5% of the total order value. Every excess of the agreed delivery commitments will be considered as delay. JAHN reserves the right of asserting further rights and claims because of delay in Delivery and/or in rendering the Service.
2. In any case of non-compliance with the provisions in chapter XV., the Seller shall be obliged to pay a contractual penalty in the amount of 1% of the total order value, but not more than 5% of the total order value. This shall not affect the right to claim further damages.



XVII. General Provisions

1. This agreement as well as all other legal relationships between the parties are subject to German law excluding the UN Convention on Contracts for the International Sale of Goods (CISG).
2. Unless otherwise stated in the Order, the place of performance shall be the business location of JAHN – Tambach-Dietharz.
3. The place of jurisdiction for all disputes arising from this agreement shall be Meiningen. JAHN is also entitled to institute legal proceedings at the appropriate for the Seller.
4. The contractual language shall be German. Documents provided in another language are deemed to be translations. In case of inconsistencies with regard to the translation between the German or the foreign text, the German text is authoritative in any case.
5. Should individual provisions of this agreement be or become invalid, the validity of the remaining provisions of this agreement shall not be affected thereby. The parties shall be obliged to replace an invalid provision by such a valid provision that comes as close as possible to its commercial purpose. The same shall apply in case of an omission in this agreement.

Tambach-Dietharz, effective from September 2009