

Terms of purchase

valid since 01.01.2015

I. General

1. These terms and conditions shall apply exclusively to all legal relationships between suppliers and Primacon. They apply as long as Primacon does not accept certain deviations or conditions from the supplier in written form.
2. These Conditions shall also apply in the event that Primacon accepts the delivery unconditionally, even if Primacon has knowledge of the supplier's conflicting or deviating terms and conditions.

II. Order, order taking, payment

1. The offer of the supplier has to be in written form and free of charge. The supplier has to point out every change of Primacon's request in his offer.
2. Only written orders are legally binding. Every agreement made on the phone or by talking needs to be confirmed in writing by Primacon.
3. The order has to be confirmed in writing at the latest 10 working days after Primacon has made the order.
4. The offered price is, as far as it was not agreed differently in written form, inclusive of the costs for delivery to the factory, packaging, insurance, taxes and all duties. The agreed prices are fixed prices. The payment will be made in 14 working days after Primacon has received the invoice with 3% discount. Primacon has the choice between means of payment. Invoices must be submitted with details of order number, item number and position number. It is the duty of the supplier to ensure that all customs regulations are respected and properly met. In particular, he must guarantee that all preference certificates and certificates of origin as well as suppliers' declarations are properly issued.
5. Delay in payment without reminder is impossible.
6. The supplier is not entitled to assign claims against Primacon or have claims collected by third parties, despite having explicit written permission from Primacon to do so. The regulation of § 354a HGB (German Commercial Law) remains unaffected.

III. Service content, execution, changes

1. The service content is written in the original purchase. Documents, reports, ideas, designs, models, samples and all other results occurring by service provision are part of the service scope. The performance results may be described by the specifications, terms of reference, schedule, and other facilities. Named attachments in the purchasing order are part of the same.
2. Primacon can reasonably expect the supplier to change the delivery item in design and construction. The supplier must then implement the changes in an appropriate, individually agreed deadline. Mutually satisfactory arrangements are to be made about the impact on increase or decrease in costs and delivery times. Where an agreement can not be reached in a reasonable time, Primacon may withdraw from the contract and demand damages instead of performance within reasonable discretion.
3. The supplier takes care of all the necessary and meaningful data and circumstances as well as the information of the intended use of Primacon to fulfill its contractual obligation in time. The supplier ensures that the delivery includes all the services so that a correct, safe and economic use is assured and that the delivery is suitable for the intended use and complies with the state of science and technology.
4. The supplier shall comply with all the performance standards, laws and legislation, in particular the relevant environmental, hazardous and accident prevention regulations and the generally recognized health and safety rules and work standards of Primacon. The supplier shall inform Primacon about the necessary regulatory approvals and reporting requirements for the import and the use of the delivered goods.
5. The supplier shall ensure that he can assure the delivery for a period of 10 years after the end of the supply relationship on reasonable terms with the full product or any part there of.
6. Partial delivery is prohibited. Primacon is entitled to rescind the contract if only part of the agreed product was delivered. This does not apply if Primacon has a significant interest in a partial delivery, and the defect is

insignificant.

7. If the supplier stops the delivery within the point 3.5 specified period, he shall inform Primacon first and has to permit a last-time order.

IV. Service period

1. The dates and deadlines specified in the order are binding. The delivery period begins to run from the date of the order.
2. Advanced deliveries are only permitted with Primacon's expressed written consent.
3. The receipt of goods by Primacon or the date of acceptance are necessary for the purposes of calculating compliance with the delivery period.
4. If the supplier realizes that timely delivery is no longer possible, he shall immediately inform Primacon in writing accordingly, stating the reasons. Primacon's statutory rights remain unaffected.
5. Force majeure only leads to a slight shift of the delivery date, if the supplier has no other reasonable replacement option. The supplier has to inform Primacon immediately, in writing about the circumstances, stating the specific reasons and the expected duration of delay.
6. Where the supplier does not deliver in the delivery period, Primacon is authorized without respite, at its option, to demand replacement or compensation due to non delivered or not delivered as agreed performance or to withdraw from the contract. In the event of delay in delivery, a contractual penalty in the amount of 0.5% of the order value per week of delay is agreed. The maximum penalty is limited to 5% of the order value. The assertion of further claims shall remain unaffected. The delay penalty is to be counted against actually occurred or alleged damage caused by delay. The right to demand payment of the agreed penalty shall not be forfeited, if in time of acceptance of delivery the penalty was not expressly reserved.

V. Provision

1. All provisions remain the property of Primacon. They have to be stored, managed and named separately and free of charge by the supplier. Their use is only permitted for single order. In case of a reduction in value, damage or loss, the supplier is responsible for the replacement of provisions. For this purpose the supplier has to maintain insurance on his costs. This also applies to the calculated transfer of order-bounded material. Upon request, the supplier will hand out all confidential documents and items to Primacon immediately. Retention shall be excluded.
2. In all cases of processing, mixing and transformation of material Primacon is the owner of the new or mixed or altered item. The supplier shall keep the new or merged or transformed item for Primacon with the diligence of a prudent businessman.
3. Primacon becomes the owner of any models, tools, molds, etc. (hereinafter tools) that come into existence when required for the performance of contractual services. Tools are therefore considered as materials provided by Primacon. Primacon has the right to demand the return of tools in its sole discretion, or to let the supplier scrap them free of charge. The scrapping of tools requires the written consent of Primacon.

VI. Subcontracting

Subcontracting to third parties is only allowed with the written consent of Primacon.

VII. Confidentiality

1. The supplier undertakes to treat all, commercial or technical details, which are known to him through the business relationship, as a trade secret and protected against unauthorized access, use or loss.
2. Surrendered by Primacon or at the expense of Primacon's manufactured drawings, patterns, samples, models or similar objects, the property remains Primacon's. They are not allowed to be made accessible or to be transferred to third parties. The reproduction of such items is only admitted for business requirements and only under copyright laws. Documents and any items, provided to the supplier must be returned to Primacon after

completion of work, unasked, and, in accordance with the confidentiality agreement or in written accordance with Primacon, securely destroyed. The supplier will not retain or store any documents or items, unless he is obliged by law to archive duplicates, copies, etc.. Further rights can be demanded by Primacon when the supplier breaches its obligations.

3. In the hiring out of data, the Federal Data Privacy Act applies. The Supplier shall obey every binding applicable law. If a processing of data takes place, a separate data use agreement has to be concluded with Primacon first.
4. Employees and subcontractors shall be committed to confidentiality according to this confidentiality agreement.
5. The obligation of confidentiality shall continue for 5 years after delivery and performance.
6. The supplier may only use the trademark or other Primacon logos for his references or other publications, if he has Primacon's written consent

VIII. Warranty

1. The supplier warrants that its performance remains, for a period of 48 months from the acceptance of the overall performance by Primacon or the end user, free of defects. The limitation period of notice of a defect remains, regardless of the operational service life. The notice of a defect, has to be given by Primacon once they are discovered in the course of normal business operations, without delay. Considering the fact that it is impossible for Primacon to check all of the goods immediately on the correctness and usability, the supplier acknowledges under repealing provisions of § 377 HGB, complaints without compliance with the statutory time limits, this applies even if the payment has already been made. A complaint is therefore considered in time, if the notice has been given without undue delay after starting to use the object. The defect interrupts the limitation period of warranty claims regarding the defective part delivery until complete removal of the defect. Deficiency of title lapse after the statutory limitation period.
2. The supplier shall also be liable under its warranty, if he is not the manufacturer of the delivered goods or parts thereof.
3. Primacon may in its own discretion demand the statutory warranty claims, or replacement or repair. In case of replacement or repair, the supplier is obliged to rectify the defects or to provide new services immediately at the destination at its own cost. He has to bear all expenses incurred in connection with the repair or replacement costs, including required travel and travel expenses.
4. In urgent cases, for example imminent danger or in cases in which a performance commitment by Primacon requires immediate rectification, Primacon can perform the repair itself or by third parties, without time limit, at the expense of the supplier. The same applies, if the supplier delivers with delay.
5. For replaced parts the limitation period begins to run anew with their exchange. If more than 10% of the goods have a delivery flaw, Primacon is entitled to reject the entire shipment without checking the rest of the goods at the expense of the supplier. Acceptance and payment by Primacon does not imply that Primacon recognizes the product as free of defects.
6. Moreover, the statutory requirements apply.

IX. Rights

1. The supplier warrants that the goods or services supplied by him do not violate domestic or foreign rights. The supplier ensures to keep other suppliers and/or its customers protected from any action that may be taken advantage of because of a violation of property rights out of court or through litigation. In case of dispute, the supplier must provide, upon request, legal counsel. Furthermore, the supplier must pay for the damage that Primacon and/or its customers accrue from having trusted in the unrestricted usability of the goods or services supplied. Primacon's customer's loss is to be replaced by the supplier, if and as far as the customer makes claims against Primacon.
2. The supplier is not liable, if he has delivered the goods or services produced or provided solely by drawings and models of Primacon and he did not know or should have known that the production of goods or of rendering of the service, constitutes an infringement as defined above.
3. The supplier shall on request, identify all property rights, which he used in connection with the delivered goods or services. If the supplier acknowledges the violation of property rights, he shall so notify Primacon voluntarily and without delay.

X. Product liability, indemnity, liability insurance

If the supplier is responsible for product damage, he is obliged to exempt Primacon by first request of third party claims, as the cause is in his control and organization and he is liable in relation to itself. As far as recall measures are necessary because of such a product defect, the supplier is obliged accordingly to reimburse the costs required for this. The supplier has to maintain product liability insurance with coverage of EUR 10 million per personal injury/property damage overall. Primacon's other claims remain unaffected.

XI. Other Agreements

1. If the Supplier ceases payments or if insolvency proceedings against its assets or if judicial or extrajudicial proceedings are requested, Primacon is entitled to withdraw from the contract. If no cancellation occurs, Primacon may retain an amount of at least 10% of the fee as security for contractual claims until the expiry of the contractual limitation period for warranty claims.
2. Fulfillment for deliveries and services is Primacon's headquarters
3. The jurisdiction is Weilheim in Oberbayern.
4. Supplementary to these conditions, only the law of the Federal Republic of Germany. The application of the unified UN purchasing law is excluded.

XII. Severability

1. If provisions of this contract should be invalid, ineffective or impractical, so should not be affected by the validity, effectiveness and satisfiability of the remaining parts of the contract.
2. The Parties undertake, in this case, the invalid, ineffective or unrealisable part of the contract by a valid, effective and achievable replace determination that the original intent of the parties comes closest in content.