

General Terms of Purchase

1. General – scope of validity

All orders – including future orders – for the supply of goods, services or work shall be governed by our General Terms of Purchase. Terms and conditions which contradict our Terms of Purchase, or any terms and conditions of the supplier which deviate from our terms and conditions, shall only be accepted if we have specifically accepted them in writing in each individual case. Our Terms of Purchase shall also apply should we accept deliveries, services or work without reservation in the full knowledge that the supplier's terms and conditions deviate from our Terms of Purchase.

2. Purchase orders

Our purchase orders shall only be valid if provided in writing. Verbal agreements shall only be legally binding if confirmed by us in writing. The supplier shall submit a written order confirmation within seven (7) days of receiving our purchase order; failing this, our purchase order shall not be binding. Our purchase order numbers, references or, where applicable, material numbers must be stated in all documents required for processing each order. Order confirmations, delivery notes and invoices are to be issued in duplicate. Interpretation of the commercial and trade terms shall be based on the Incoterms®, as amended from time to time.

3. Prices – terms of payment

The price shown in the purchase order and agreed in the supplier's order confirmation is binding. Unless otherwise indicated, all prices are understood to be exclusive of value-added tax at the statutory rate. Unless otherwise agreed in specific cases, payment shall be made within 60 days of receipt of the goods or service and receipt of a correctly issued invoice. The invoiced price shall include all services/work and supplementary services/work (e.g. assembly, installation work) as well as all ancillary costs (e.g. transport, packing, insurance) incurred by the supplier, as well as delivery DAP Osnabrück, Incoterms 2010. Our rights of set-off and retention shall apply to the extent permitted by law. The supplier shall only be entitled to set off claims where these are undisputed or legally established. Should we delay payment, we shall be required to pay interest in the amount of five (5) percent above the base rate in accordance with Section 247 German Civil Code (BGB).

4. Delivery times

Agreed delivery times shall be binding. Impending or foreseeable delays in delivery are to be communicated to us without delay. Our statutory rights shall apply in the event of delay in delivery. Specifically, we shall be entitled to require compensation on the grounds of non-performance following expiry of an appropriate period of grace without result.

5. Delivery address, passing of risk

Unless otherwise expressly stated, our delivery address is as follows:

For postal deliveries: KÄMMERER Spezialpapiere GmbH
Römereschstr. 33
49090 Osnabrück, Germany

The risk of accidental loss shall pass to us upon delivery to the aforementioned delivery addresses.

6. Reservation of title

We shall solely acknowledge a basic reservation of title where title to the goods passes to us following full payment thereof and we are authorised to re-sell and transfer them in the ordinary course of business. No other retentions of title, especially as these relate to extended, transferred or subsequent reservation of title, shall be accepted, nor shall deviating terms of business form an integral part of the agreement or contract.

7. Warranty

The supplier shall provide goods that are free from material and legal defects. Commercial obligations to inspect and notify shall be governed by the statutory regulations on the proviso that the notification of defects is deemed to have been served without delay provided that said notification reaches the supplier within a period of five (5) working days. Our rights arising from material and legal defects shall be governed by the statutory provisions; we shall be entitled to require, at our discretion, either subsequent performance or a replacement delivery. Failure on the part of the supplier to perform its duty of subsequent performance within the prescribed statutory period shall entitle us to remedy the defect ourselves. In such instances, the supplier shall bear all costs necessarily incurred in order to remedy the defect, or to provide a replacement delivery. In all other respects, our rights to compensation, price reduction and withdrawal from the contract shall be reserved. The warranty period shall be 24 months following the passing of risk and/or, where acceptance has been agreed, following acceptance of the work in question.

8. Product liability – indemnification – liability insurance cover

To the extent that the supplier is liable for product damage, the supplier shall be obliged to indemnify us, on first request, from any and all third-party claims to the extent that their cause resides within the supplier's realm of control and organisation and is personally liable vis-à-vis third parties. The supplier undertakes to maintain a product liability policy with a minimum lump-sum coverage level of EUR 5 million per insured event (personal injury/property damage); should we pursue further claims for damages, these shall not be affected by the above.

9. Property rights

The supplier hereby warrants that no third-party rights shall be infringed in connection with its supply of goods or services. In the event that claims are asserted against us by a third party on the grounds of an infringement of said party's rights, the supplier undertakes to indemnify us, on first written request, from such claims. The supplier's duty to indemnify us shall cover all costs and expenses that we necessarily accrue as a result of or in connection with any third-party claims asserted against us.

10. Tools – assembly work

As a general rule, we shall not provide any assembly tools. Exceptions to this must be made in writing in order to be valid. Tools that we ultimately provide shall remain our property. The supplier undertakes only to use such tools to manufacture the goods which we have ordered, to label them as our property, and to keep them in a safe place. Upon completion of the order, the supplier shall be required to return the tools to us. A description of the supplier's further duties in respect of the assembly work are defined in the work safety guidelines for external companies (*Arbeitsschutz-Merkblatt für Fremdfirmen*), which can be found on the Kämmerer website. The supplier shall furthermore be required to comply with Section 5(1) "Awarding of contracts" in conjunction with Section 2 "Entrepreneur's fundamental duties and obligations" of the employers' liability insurance regulations (*Berufsgenossenschaftliche Vorschriften (BGV)*).

11. Place of fulfilment, court of jurisdiction, applicable law

The place of fulfilment for all rights and obligations arising from the contract shall be Osnabrück (Germany). All legal disputes arising from or in connection with this contract shall fall under the sole jurisdiction of the district/regional courts of Osnabrück (Germany). The laws of the Federal Republic of Germany shall apply to these Terms of Purchase as well as all legal relations between us and the supplier. Application of the UN Convention on Contracts for the International Sale of Goods of 11 April 1980 is hereby excluded.