

General Purchasing Terms and Conditions of KSI Filtertechnik GmbH

§ 1. General Provisions

1. Our purchases are governed solely by these purchasing terms and conditions.
2. Confirmation or execution of our purchase order constitutes acceptance of these purchasing terms and conditions.
Other terms and conditions, particularly those of the vendor and contractor, are not part of the contract, even if KSI does not expressly object to them.
3. If the contents of our general purchasing terms and conditions do not agree with those of our business partner, they shall be binding on us if they are accepted by us in writing when the contract is concluded.
4. Purchase orders, agreements, and changes are binding only if issued or confirmed in writing by a member of upper management or the KSI purchasing department. Agreements with other departments, subsidiaries, or other KSI organizational units likewise require written confirmation by the central purchasing locations. This also applies to addenda to contracts and to deviating oral side agreements.
5. No remuneration or compensation for visits or for preparing proposals, projects, plans, etc. will be granted by KSI if no purchase order is issued. Agreements to the contrary must be made in writing.

§ 2. Conclusion of the Contract

1. The contractor shall confirm purchase orders no later than one week after receipt, unless KSI expressly requests otherwise. A confirmation that is late or deviates from our purchase order is considered a new proposal and requires our express written acceptance.
2. The purchase order number and the buyer's name indicated on the purchase order shall be referenced in all written correspondence. KSI is not responsible for delays arising from failure to comply with this requirement.
3. If no such written acceptance exists and if the contractor nevertheless performs the delivery or other service, then KSI accepts this only under the terms and conditions in the order issued by KSI.
4. All contracts and amendments and addenda to contracts must be in writing. Oral agreements take effect only if confirmed by KSI in writing. This applies to the written-form clause itself.

§ 3. Price

1. Delivery is made on the basis of previously agreed fixed prices plus statutory value-added tax. This also applies to contracts with delivery lead times of more than four months.
2. Price increases are permitted only if a written agreement about the price has been made between the contractual parties.
3. If no prices have been defined in the purchase order, then confirmation of the price by KSI is necessary before the order is executed.
4. The contractor agrees to fulfill the order at the terms and conditions that have been offered to companies affiliated with KSI. These terms and conditions particularly include price reductions, sales bonuses, and cash discounts.

§ 4. Transfer of Risk

The ordered goods are shipped at the contractor's risk. The risk of accidental loss or deterioration is borne by the contractor until acceptance. Agreements to the contrary must be confirmed by KSI in writing.

§ 5. Delivery

1. If not otherwise agreed in writing, all deliveries are free of transportation and packaging charges to the place of receipt and use named by KSI. KSI shall be notified of the shipment such that KSI is aware of the quantity, dimensions, and weights prior to arrival of the goods. This also applies to any special specifications for handling the goods, particularly for unloading, transport, and storage in our facility.
2. If it has been expressly agreed that KSI shall bear the costs, then KSI shall select the freight carrier. The goods shall be declared in the bill of lading such that the least expensive permissible freight rate is charged for the shipment. The contractor shall inform KSI when the goods are ready for shipment in order to execute transport. In this case, KSI can obtain transport insurance and bear the associated costs. In this respect KSI is the waiving customer in terms of the freight and carriage insurance (also known as the SVS/RVS prohibition customer). Additional insurance costs shall not be borne by KSI.
3. If the agreed price does not include packaging, then the packaging shall be billed at the vendor's cost, with no deposit. KSI reserves the right to return to the vendor any bulky packaging, particularly cases, barrels, crates, etc., after they have been emptied, regardless of any wear due to transport or other reasons, free of freight charges, and to receive credit for the return.
Any handling that deviates from the specifications of the packaging regulation (VerpackV) of 06/12/1991 (BGBl I S. 1234 ff.) requires our prior written approval.
4. When delivering and transporting hazardous materials in the sense of the law on transportation of hazardous goods of 08/06/1995 (BGBl I p. 212 ff.) and any legal regulations, the contractor agrees to comply with the legal requirements.
5. Multiple deliveries shall be recognized only if confirmed by KSI in writing.
6. The contractor shall provide all documentation required for acceptance, operation, maintenance, and repairs, particularly inspection reports, factory certifications, drawings, plans, operating instructions, and repair manuals, in reproducible form at no additional cost.
7. Our receiving department is open M-Th 7:30 a.m.–4:00 p.m. and F 7:30 a.m.–3:00 p.m.

§ 6. Delivery Lead Time

1. The specified delivery dates are considered to be agreed upon unless expressly declined by the contractor. In such a case the delivery dates and lead times are binding and begin on the date of our purchase order. The receipt of goods at the location of receipt and use, or the timeliness of completion of acceptance, is definitive for compliance with the delivery date or lead time.
2. KSI shall be informed immediately in writing of any delays as soon as they are identified, prior to the expiration of the lead time, with an indication of the reason and expected duration of the delay. Any logistical changes that become necessary due to the late delivery shall be indicated by KSI immediately and the contractor shall comply with them precisely.
3. The contractor agrees to compensate for all indirect and direct damages due to delay, unless the delays are not the fault of the contractor.
4. In case of delay by the contractor, KSI is entitled to pursue legal claims, particularly a claim of compensation for damages due to failure to fulfill the contract after a reasonable additional period with no results. KSI is entitled to demand lump-sum damages due to delay in the amount of 0.5% per complete calendar day, up to 10% of the value of the goods or services. The above rights are not waived

in the case that KSI has previously accepted late deliveries or services without pursuing damages. Any other claims are reserved; the contractor has the right, however, to evidence that no damage or no substantial damage has occurred due to the delay.

5. Deliveries made early without our approval do not affect the payment times associated with the agreed delivery dates.

§ 7. Acceptance

Acceptance occurs immediately after receipt of the delivery or service in the course of ordinary business, as long as both conform to the contract.

§ 8. Packing Slip

1. A packing slip containing all identifiers specified in our order, particularly the purchase order number, part number, lot number, and item number, shall be included with every shipment. Partial and final deliveries shall be specially marked.
2. In order to be able to determine the contents of a shipment without opening it, the packing slip shall be placed either under the sticker or under the packaging paper, and clearly marked.

§ 9. Liability Law, Warranty, and Notice of Defects

1. The contractor guarantees and assures that all items supplied by him or all services provided by him are in accordance with the latest state of the art, applicable national and international legal provisions, particularly child labor bans and regulations and guidelines of agencies, trade groups, and technical associations.
2. If deviations from these specifications are required in individual cases, then the contractor must obtain our written approval. The contractor's warranty obligation is not affected by this approval.
3. The specifications and proprietary standards defined by the agreement are considered guaranteed data and warranted properties of the object of the delivery or service.
4. The contractor warrants that the delivered items and provided services have no defects that would inhibit their value or usability, and that they have the assured or guaranteed properties.
5. The warranty period is twelve months, starting on the date of acceptance of the supplied items or provided service by KSI or by a third party named by KSI at the location of receipt or use specified by KSI.
6. KSI shall inform the contractor immediately of any defects in the goods or services as soon as they are identified in the ordinary course of business, but no later than four weeks after delivery to KSI or the recipient. KSI shall inform of any hidden defects that become evident only later within two weeks after discovery.
7. The contractor agrees to perform any necessary repair work immediately and at no additional cost for any defects reported in a timely manner, or for the lack of assured or guaranteed properties, upon request by KSI. If the repair is not successful, KSI retains the right to pursue legal claims.
8. In urgent cases, or if the contractor is in default for the fulfillment of his warranty obligations, then KSI is also entitled to correct the defects itself, to have the defects corrected, or to obtain replacement, all at the cost of the contractor. If KSI selects this option, it shall inform the contractor. KSI shall decide at its discretion whether a case is urgent.
9. If a claim is pursued against KSI for violation of governmental safety regulations, or under domestic or foreign product liability regulations due to a defective

product that can be traced back to goods or services from the contractor, then KSI is entitled to demand compensation for this damage from the contractor, to the extent that the damage is due to the product supplied by the contractor. The supplier shall perform quality assurance suitable for the type and scope and in accordance with the latest state of the art, and shall demonstrate this to KSI in case of product liability damages.

§ 10. Evidence of Origin, Export Limitations

1. Evidence of origin requested by KSI (e.g., supplier declarations, trade limitations in the sense of EU-EFTA origin regulations) shall be immediately provided with all necessary information and properly signed by the supplier.
2. The contractor shall inform KSI if a supplied item is subject in whole or in part to export limitations under German or any other (e.g., USA) foreign trade regulations.

§ 11. Payment

1. Invoices in duplicate shall be sent on the date of shipment, separately for each order, and the contents thereof shall match the packing slip and the shipping notification.
2. Payments are made, unless otherwise indicated in the purchase order, within 14 days less 3% cash discount, or net within 60 days or at a later payment date agreed to by the contractor. The payment period starts no earlier than upon receipt of the proper invoice, but not prior to receipt and technical acceptance of the ordered goods or acceptance of the service. The date of receipt of invoice is the date it was stamped as received.
3. Interest on late payments and limitations of refusal of services, retention, or offset rights are not accepted. Payments do not affect our right to notify of defects or our warranty or liability claims against the contractor.
4. Invoices that do not meet our requirements, particularly if the purchase order number is missing or EURO requirements are not met, shall be returned to the contractor by KSI immediately. In this case, the discount period does not start until a correct invoice has been received.

§ 12. Force Majeure

In case of force majeure, strike, and lockout, the contractual partners are released from their performance obligations for the duration of the interference and to the extent affected. The contractual partners agree to provide necessary information immediately to the greatest reasonable extent and to adjust their obligations to the modified circumstances in good faith.

§ 13. External Commercial Property Rights

1. The contractor attests that the production, processing, use, or further sale of the proposed and supplied goods or other services do not violate any domestic or foreign commercial property rights or copyrights of third parties.
2. The contractor agrees to indemnify KSI or our receiver from claims of damage by third parties arising from such legal circumstances and to support KSI or our receiver at its own cost in any legal dispute pursued for this reason.
3. KSI is entitled to purchase the right of use (license) from the owner of the rights at the cost of the contractor.

§ 14. Internal Commercial Property Rights

The contractor shall accept our claims to the brands, names, and packaging designs used for the contract products and agrees not to assign any rights to future use of said brands, names, and packaging designs and to use the same or similar, or allow such use, except for the contractual products to be delivered to KSI itself. This obligation of the contractor remains in effect even after the termination of the contract.

§ 15. Documentation and Confidentiality

1. All design documentation, models, patterns, drawings, memos, tools, etc. that KSI makes available to the contractor shall remain the property of KSI and shall be stored carefully for the period of use at the supplier's cost. KSI can request their return at any time.
2. All design documentation, models, patterns, drawings, memos, tools, etc. shall be treated as confidential and may be used only for executing our orders. The contractor expressly agrees not to make copies of such materials.
3. All parts produced according to our information, drawings, models, etc. may be provided, permanently or temporarily, only to KSI and never to any third parties.
4. All other information provided to the supplier in conjunction with the order placement and execution regarding quantities, prices, etc., and other knowledge obtained about all of our operational procedures shall be treated as confidential by the supplier and shall be kept confidential even after the business relationship is terminated.

§ 16. Assignment

The contractor is not entitled to assign receivables from KSI or to allow collection by third parties without prior approval by the customer. We shall provide approval of assignment under the principles of good faith. If the contractor has provided its supplier with an extended ownership claim in the course of ordinary business, then our approval is not granted.

§ 17. Offsets

KSI is entitled to offset any payments due that are owed to companies affiliated with KSI by the contractor.

§ 18. Place of Fulfillment, Jurisdiction

1. If not otherwise specified in the purchase order and order confirmation, the place of fulfillment for delivery or other services by the contractor for business transactions with registered merchants, legal persons under civil law, or separate civil law assets is the address of fulfillment indicated by KSI. Place of fulfillment for our payment obligations is the headquarters of our company.
2. The jurisdiction for all disputes is the headquarters of KSI, if the contractor is a registered merchant, legal person under civil law, or special civil law asset. We reserve the right, however, to sue the contractor in its own general jurisdiction.
3. The law of the Federal Republic of Germany applies exclusively unless otherwise agreed.

§ 19. Separable Invalidity

If any part of the above provisions (including this clause) is legally invalid, the validity of the other terms and conditions is not affected. Legal requirements shall apply in place of the provisions that are no longer part of the contract or are invalid.

§ 20. Privacy

Personal data that is generated in conjunction with the contractual relationship is saved for the purpose of data processing (§ 28 Bundesdatenschutzgesetz [German Federal Privacy Law]).

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