



### 1. Scope

- 1.1 The following Terms apply for all orders issued by **MHA ZENTGRAF**.
- 1.2 Deviating or additional terms of the supplier do not apply.
- 1.3 In the context of an ongoing business relationship, these Terms apply in their respective version without explicit reference to their inclusion with all future orders by **MHA ZENTGRAF**.

### 2. Orders

- 2.1 Orders, call-offs by **MHA ZENTGRAF** as well as their changes or additions are only binding if issued in a written form. Oral additional agreements are invalid without **MHA ZENTGRAF**'s written confirmation.
- 2.2 Orders and call-offs shall be immediately confirmed in writing by the supplier. If the supplier does not accept the order within 5 work days, **MHA ZENTGRAF** shall be entitled to cancel the order free of charge.
- 2.3 Cost estimates and samples of the supplier are binding and free of charge.
- 2.4 **MHA ZENTGRAF** can request changes to the delivery item regarding its construction and execution as far as these are reasonable for the supplier. With these contractual changes, consequences, particularly those regarding costs and agreed delivery dates, shall be taken into account appropriately.

### 3. Delivery

- 3.1 The delivery date stated on the order of **MHA ZENTGRAF** is binding.
- 3.2 If the supplier realizes that a set delivery date cannot be met, he shall immediately notify **MHA ZENTGRAF** in writing of the new delivery date while indicating of the reason for such delay.
- 3.3 The acceptance without reservation of the delayed delivery does not constitute a waiver of the claims to compensation to which **MHA ZENTGRAF** is entitled on account of the delayed delivery.
- 3.4 If the supplier defaults by exceeding the date of delivery, **MHA ZENTGRAF** shall at their discretion be entitled to claim, in addition to the fulfilment of the order without further warning, compensation due to the delay in delivery, or, instead of the fulfilment of the order, compensation for nonfulfillment, or rescind the contract. Instead of a compensation due to the delay in delivery, **MHA ZENTGRAF** may claim a contractual penalty of 0,5% of the order value, but not exceeding 5% of the order value, for each begun week exceeding the delivery date, without reservation of such claim upon acceptance of the delivery. **MHA ZENTGRAF** may raise such claim until final payment. The supplier is reserved the right to furnish proof that **MHA ZENTGRAF** did not suffer any damage or less damage.
- 3.5 If the supplier exceeds the agreed delivery period, **MHA ZENTGRAF** may rescind the contract, even when the non-compliance is due to circumstances, which the supplier is not responsible for (force majeure, strike, etc.).
- 3.6 **MHA ZENTGRAF** shall be entitled to refuse deliveries made before the agreed delivery date and to send back the products to the supplier at his risk and expense.
- 3.7 Delivery shall be made DDP (Incoterms 2010) to the premises of **MHA ZENTGRAF** in Merzig. The supplier shall duly insure the products at his expense against loss and damage. Supplier hereby assigns to **MHA ZENTGRAF** all claims entitled to him against the shipper or carrier commissioned by him.
- 3.8 Regarding quantities, weight and measurements, the numbers determined at the incoming products inspection by **MHA ZENTGRAF** shall prevail, unless proof is rendered of their incorrectness.
- 3.9 Suborders may only be placed with the prior written consent by **MHA ZENTGRAF**, as far as they do not only involve the delivery of standard products.

- 3.10 A delivery note including the order number of **MHA ZENTGRAF** as well as a description of the content according to type and quantity shall be added to each delivery.
- 3.11 The supplier shall take back packaging and shipping material on **MHA ZENTGRAF**'s request.
- 3.12 Partial deliveries shall only be permitted with **MHA ZENTGRAF**'s approval.

### 4. Prices, Invoices and Terms of Payment

- 4.1 The agreed prices are fixed prices. The prices include free delivery.
- 4.2 Invoices including the order number of **MHA ZENTGRAF** shall be sent separately to their address as a single copy.
- 4.3 Invoices are payable by **MHA ZENTGRAF** within 60 days following receipt of the products and invoice without deduction or within 30 days less 3% discount. With early deliveries, the deadlines start on the agreed delivery date.
- 4.4 Payments do not constitute the acknowledgement of the products and services as being in line with the contract. For defective or incomplete delivery, **MHA ZENTGRAF** shall be entitled to withhold payment in reasonable amounts until proper fulfilment.
- 4.5 Claims against **MHA ZENTGRAF** shall not be assigned to third parties without **MHA ZENTGRAF**'s prior written consent. The supplier shall only be entitled to offset claims against **MHA ZENTGRAF** that are either uncontested or have been recognized by final judgment.

### 5. Transfer of risks and title of ownership

- 5.1 The risks and title are transferred at the moment of receipt of the delivery at the seat of **MHA ZENTGRAF**.
- 5.2 Supplier's retention of title regarding the delivered products is excluded.

### 6. Warranty

- 6.1 The supplier warrants that the delivered products comply with the contractual agreements, statutory and administrative requirements.
- 6.2 If **MHA ZENTGRAF** has informed the supplier of the intended use of the ordered product or if the intended use is recognizable without explicit indication, then the supplier shall immediately inform **MHA ZENTGRAF** in writing if the ordered product is not suited for this particular purpose. The supplier shall immediately examine the documentation submitted by **MHA ZENTGRAF** for the manufacture of the products. Should construction documents be missing or if there is any doubt regarding their correctness, the supplier shall inform **MHA ZENTGRAF** of this fact without being asked.
- 6.3 Changes regarding material or construction require prior written consent by **MHA ZENTGRAF**.
- 6.4 Safety-relevant defects detected by production monitoring after delivery by the supplier shall be reported in writing without request to **MHA ZENTGRAF** by the supplier even after the expiration of the warranty period.
- 6.5 If products are to be manufactured following plans, designs or other guidelines of **MHA ZENTGRAF**, the compliance of the delivery with such guidelines shall be considered as guaranteed. Should the delivery deviate from the guidelines, then **MHA ZENTGRAF** shall be entitled to rescind the contract or to reduce the agreed price as well as to claim additional compensation.
- 6.6 The supplier shall perform a quality control on the products before delivery. An incoming goods inspection is only made by **MHA ZENTGRAF** regarding externally recognizable damage and deviations in kind and volume. Complaints by **MHA ZENTGRAF** are timely, if they are issued within

2 weeks following the receipt of goods or, in the case of hidden damage, following their discovery.

6.7 **MHA ZENTGRAF** is entitled to choose the type of subsequent performance.

6.8 Should the supplier not comply with his obligation of subsequent performance within a reasonable period set by **MHA ZENTGRAF**, then **MHA ZENTGRAF** shall be entitled to remedy the defect on his own or by a third party at the cost of the supplier or to find a substitute solution. The same shall apply in cases of immediate danger of disproportionately high damage or other particular urgency, especially in the case of a threatening production standstill at **MHA ZENTGRAF** or one of his customers. **MHA ZENTGRAF** shall inform the supplier of such measures with undue delay.

6.9 The warranty period is of 36 months starting with the transfer of risk.

6.10 In case of repeated defaults **MHA ZENTGRAF** shall be entitled to rescind the entire contractual relationship. In this case, also future deliveries resulting from this or another contractual relationship shall be included in the rescission.

## 7. Product Liability

7.1 If the supplier is responsible for damage caused by his product, he shall hold **MHA ZENTGRAF** harmless from damage claims of third parties on first demand if the cause is located within the Supplier's sphere of authority and organizational area, and the Supplier is also liable to third parties.

7.2 The supplier shall have appropriate coverage by a product liability insurance. He shall prove the insurance on **MHA ZENTGRAF**'s request. Other claims of **MHA ZENTGRAF** shall remain unaffected.

## 8. Supplier's declarations, Export regulations

8.1 The Supplier shall be obligated to issue supplier's declarations according to VO / EG 1207 / 01. With long term supplier's declarations, the supplier shall immediately notify **MHA ZENTGRAF** in writing of changes in the originating status.

8.2 Should the supplier's declarations be faulty or not sufficient and **MHA ZENTGRAF** is subject to the submittal of an information document INF4 for the customs authorities, then the supplier shall immediately provide **MHA ZENTGRAF** with complete and correct information documents confirmed by customs regarding the origin of the products.

8.3 If **MHA ZENTGRAF** or its customers suffer financial damages due to incorrect declaration of origin of the supplier, he shall reimburse the damage.

8.4 The supplier shall inform **MHA ZENTGRAF** in writing if the re-export of the products is excluded or subject to approval according to the respective relevant export regulations. Damage suffered by **MHA ZENTGRAF** due to the violation of such duty to notify, shall be compensated by the supplier.

## 9. Confidentiality

9.1 The supplier shall treat any technical or commercial details, which are not in the public domain and which are brought to him by this business relationship, as confidential and not pass them on to third parties. Sub-contractors shall be obligated accordingly.

9.2 **MHA ZENTGRAF** shall remain owner of all property rights and rights of use for drawings, images, sketches, calculations, plans, models, templates, samples and other documentation, which the supplier is provided with for the execution of the contract. None of the above shall be made accessible to third parties, published or copied without **MHA ZENTGRAF**'s prior approval. They shall be used for contractual purposes only and returned to **MHA ZENTGRAF** after completion of work unsolicitedly.

9.3 Products, which are fabricated according to **MHA ZENTGRAF**'s guidelines, shall neither be used by the supplier himself nor be offered or delivered to third parties.

9.4 The supplier can only advertise with his business relation with **MHA ZENTGRAF** with their prior written approval.

## 10. Industrial Property rights

The supplier guarantees that the delivered Products do not violate industrial property rights of a third party. The supplier holds harmless **MHA ZENTGRAF** and its customers from claims of a third party resulting from violations of industrial property rights and shall bear all costs arising for **MHA ZENTGRAF** in this context.

## 11. Readiness for delivery and spare parts

11.1 The supplier guarantees his ability to deliver spare parts for the probable technical life span of the delivered products, at least 10 years after the last delivery.

11.2 In the event that the supplier is no longer able to deliver spare parts, he shall inform **MHA ZENTGRAF** in writing and give the opportunity for a last order.

11.3 11.1 and 11.2 do not apply if the delivered products are standard mass products.

## 12. Place of Performance, Place of Jurisdiction and Applicable Law

12.1 Place of performance and jurisdiction is Merzig. **MHA ZENTGRAF** is entitled to sue the supplier at his registered office.

12.2 All legal relationships between **MHA ZENTGRAF** and the supplier are subject to the law of the Federal Republic of Germany with the exception of UN Purchase Law and International Private Law.