

GENERAL TERMS AND CONDITIONS OF PURCHASE OF THE COMPANY

1. Scope of Application

These General Terms and Conditions of Purchase shall apply exclusively. Any terms and conditions of the Supplier that conflict with or deviate from our General Terms and Conditions of Purchase shall only be deemed valid with our specific written acceptance. These General Terms and Conditions of Purchase shall also apply if we, upon knowledge of terms and conditions of the Supplier that conflict with or deviate from these General Terms and Conditions of Purchase, unconditionally accept or pay for the Supplier's delivery.

These Terms and Conditions of Purchase shall apply to all future business with the Supplier insofar as it is a similar type of business.

2. Orders

A contract on the purchase of goods is concluded by the supplier sending FLEXA an order confirmation after receipt of the order and/or call-off. In particularly urgent cases, the order shall indicate the need for a shorter reaction time.

Orders, agreements and delivery call-offs – including subsequent amendments and supplements – must be made in text form. Verbal agreements of any kind – including subsequent amendments and supplements – require our written confirmation in order to be effective.

3. Confidentiality

We reserve property rights and copyrights to all documents provided to the Supplier in connection with the order, for example calculations/costing, drawings, specifications, etc. The Supplier is obliged to not disclose these documents or make them accessible to third parties unless we grant the Supplier our express written consent to this. The documents must only be used for production activities based on our order. They must be returned to us immediately in the case that the Supplier does not accept our order within the period specified in section 2. If the Supplier accepts our order, the documents must be returned to us without further demand upon completion of the order at the latest.

The confidentiality agreement shall continue to apply after the completion of this agreement. It shall expire if and insofar as the production knowledge contained in the diagrams, drawings, calculations and other documents provided has become public knowledge.

4. Deliveries and Services

Deliveries and services must be provided in accordance with the state-of-the-art technology available when the contract is concluded. The Supplier must comply with the applicable laws, regulations and ordinances of the authorities of the Federal Republic of Germany and must base his/her services on the versions of the technical regulations, standards and guidelines that apply when the contract is concluded.

The Supplier must immediately inform us in writing of any doubts or concerns with regard to our specifications, drawings, other documents belonging to the order or the intended way in which the order is to be executed.

Unless otherwise agreed, partial deliveries and partial performance or services are excluded.

5. Delivery Times and Deadlines

The delivery times and deadlines specified in the order are binding. Adherence to the delivery time and/or deadline shall be based on the correct receipt of the goods and/or the faultless provision of the service at the place of delivery or use specified by us.

If the Supplier falls behind schedule with the delivery of the goods and/or provision of the service, we shall be entitled to exercise our statutory rights and, particularly after the unsuccessful expiry of a suitable deadline, to demand compensation for damages in place of the service and to withdraw from the contract. In the case that we demand compensation for damages, the Supplier shall be entitled to provide us with evidence that he/she is not responsible for a violation of obligations.

The Supplier is obliged to immediately inform us in writing if any circumstances occur or become evident that result in him/her being unable to adhere to the stipulated delivery times and/or deadlines. In such a case, the Supplier must provide the reason behind and the estimated duration of the delay in delivery.

The Supplier may only cite the absence of necessary documents that we are obliged to provide if the Supplier sent a written reminder yet did not receive the documents within a reasonable period.

3. Confidentiality

We reserve property rights and copyrights to all documents provided to the Supplier in connection with the order, for example calculations/costing, drawings, specifications, etc. The Supplier is obliged to not disclose these documents or make them accessible to third parties unless we grant the Supplier our express written consent to this.

The documents must only be used for production activities based on our order. They must be returned to us immediately in the case that the Supplier does not accept our order within the period specified in section 2. If the Supplier accepts our order, the documents must be returned to us without further demand upon completion of the order at the latest.

The confidentiality agreement shall continue to apply after the completion of this agreement. It shall expire if and insofar as the production knowledge contained in the diagrams, drawings, calculations and other documents provided has become public knowledge.

4. Deliveries and Services

Deliveries and services must be provided in accordance with the state-of-the-art technology available when the contract is concluded. The Supplier must comply with the applicable laws, regulations and ordinances of the authorities of the Federal Republic of Germany and must base his/her services on the versions of the technical regulations, standards and guidelines that apply when the contract is concluded.

The Supplier must immediately inform us in writing of any doubts or concerns with regard to our specifications, drawings, other documents belonging to the order or the intended way in which the order is to be executed.

Unless otherwise agreed, partial deliveries and partial performance or services are excluded.

5. Delivery Times and Deadlines

The delivery times and deadlines specified in the order are binding. Adherence to the delivery time and/or deadline shall be based on the correct receipt of the goods and/or the faultless provision of the service at the place of delivery or use specified by us.

If the Supplier falls behind schedule with the delivery of the goods and/or provision of the service, we shall be entitled to exercise our statutory rights and, particularly after the unsuccessful expiry of a suitable deadline, to demand compensation for damages in place of the service and to withdraw from the contract. In the case that we demand compensation for damages, the Supplier shall be entitled to provide us with evidence that he/she is not responsible for a violation of obligations.

The Supplier is obliged to immediately inform us in writing if any circumstances occur or become evident that result in him/her being unable to adhere to the stipulated delivery times and/or deadlines. In such a case, the Supplier must provide the reason behind and the estimated duration of the delay in delivery.

The Supplier may only cite the absence of necessary documents that we are obliged to provide if the Supplier sent a written reminder yet did not receive the documents within a reasonable period.

In the case of deliveries received before the agreed delivery date, we reserve the right to return the goods at the Supplier's expense. If the goods are not returned in the case of premature delivery, the goods shall be stored at our facility at the Supplier's expense and risk until the agreed delivery date. In the case of premature delivery, we reserve the right to wait until the agreed due date of payment to pay for the goods delivered.

6. Packaging | Passing of Risk | Shipment

All deliveries must be carriage paid including packaging, with no exceptions. Packing slips must be included with all shipments and the shipping documents must be sent on the day of dispatch of the goods. All shipping documents must contain all individual components, weights, dimensions etc., as well as our order numbers. The processing of and the payment for deliveries that do not contain sufficient shipping documents will be postponed until the matter can be resolved.

The Supplier must pack the goods professionally and in accordance with their condition and the mode of transportation at his/her own expense. The Supplier is obliged to take back all packaging from the products delivered (transport, secondary and sales packaging), at no cost in accordance with the legal provisions or to collect them from a collection point that we have set up.

The Supplier shall bear the risk of shipment of the goods to the recipient. In the case of goods sent by train, the weights specified by the railway authorities at the place of arrival are decisive for the calculation and must possibly be retrospectively acknowledged.

7. Prices and Terms and Conditions of Payment

The price stated in the order is binding. The applicable value-added tax must be added to this price. All deliveries must be shipped as carriage paid.

Payment of the price shall require a verifiable invoice in accordance with the specifications that we stipulate in the order. The Supplier is particularly obliged to specify the order number listed in the order and the complete order details in the invoice



GENERAL TERMS AND CONDITIONS OF PURCHASE OF THE COMPANY

The Supplier shall be liable for all consequences resulting from his/her failure to comply with this obligation insofar as he/she does not provide evidence that he/she is not responsible for this non-compliance. Due date shall be at the earliest on the date on which a proper invoice is received by FLEXA, at the earliest on or after delivery.

A discount of 3% may be deducted for payments made by the 25th of the month in the case of invoices received between 1st and 15th of the month or payments made by the 10th of the following month in the case of invoices received between 16th and the end of the month. Payments shall otherwise be made within 60 days with no discount. Payment shall be subject to proper completion of the order by the Supplier and the verification of the invoice by FLEXA.

The submission of FLEXA's transfer order to the bank shall suffice as evidence of the punctual payment of the amounts due by FLEXA.

We shall be entitled to set-off rights and rights of retention to the extent permitted by law.

The Supplier is not entitled to assign claims against us to third parties without our written consent. Set-offs with counterclaims shall only be permitted insofar as these counterclaims are undisputed or legally substantiated.

We shall only be obliged to make advance, interim and/or instalment payments when agreed in writing.

8. Force Majeure

Force majeure, industrial conflicts, operational disruptions beyond anyone's control, riots, official measures and other inevitable events release us from our obligation of timely acceptance for the duration of such circumstances. During such circumstances and within a period of two weeks after they have come to an end, we are, notwithstanding our other rights, entitled to fully or partially withdraw from the contract insofar as these circumstances are of considerable duration and our requirements are significantly reduced due to the procurement of goods from elsewhere that was necessary as a result of the circumstances.

9. Liability for Defects

We are obliged to check the goods for any possible variations in quality or quantity within a suitable period of time. Notifications of defects shall be classified as punctual when they are received by the Supplier within a period of 7

working days beginning on the day of receipt of the goods or, in the case of hidden defects, on the day on which the defects are discovered.

We shall be entitled to full statutory claims for defects. We are in any event entitled to, at our own discretion, demand the remedy of defects or delivery of new goods from the Supplier. We expressly reserve the right to claim damages, particularly the right to claim damages in lieu of performance.

Claims for defects, irrespective of their legal basis, shall be subject to a period of limitation of 36 months after delivery has been effected. Longer contractual or statutory periods of limitation shall remain unaffected.

10. Industrial Property Rights

No industrial property rights of third parties within the Federal Republic of Germany are permitted to be violated by deliveries of goods and use of the goods by us. We shall inform the Supplier of any claim statements made by third parties and coordinate with the Supplier the next steps to be taken with regard to an in-court or out-of-court dispute with third parties.

In the case of culpability for an infringement of third party industrial property rights, the Supplier shall, at his/her own expense, fend off third party claims that are asserted by third parties against us as a result of an infringement of industrial property rights based on the deliveries of goods and services by the Supplier. The Supplier shall release us from all claims resulting from the use of such industrial property rights insofar as he/she is responsible for these claims.

If our use of the delivered goods is impaired by existing third party industrial property rights, the Supplier shall bear the costs for either securing appropriate permission or modifying or replacing the parts of the delivery concerned so that the use of the delivered goods no longer violate any third party industrial property rights and is also in accordance with the contractual agreements.

11. Product Liability | Liability Insurance Coverage

Where the Supplier is responsible for any product damage, he/she is obliged to exempt us from damage claims made by third parties upon first request if the cause lies in the Supplier's organisational sphere of responsibility and the Supplier is liable in relation to third parties.

In this context, the Supplier is also obliged to reimburse any costs that occur from or in connection with a product recall carried out by us. We shall inform the Supplier, as far as is possible and reasonable, about the content and scope of the product recall measures to be carried out and provide the Supplier with the opportunity to comment on this. Other statutory claims shall remain unaffected.

The Supplier is obliged to maintain a product liability insurance policy with a (flat-rate) coverage amount of 5 million Euros for each case of damage to persons/property. Should we be entitled to further damage claims, these shall remain unaffected. The Supplier must provide us with a duplicate of the valid insurance policy on request.

12. Drawings, Tools and Material Provided

We shall retain property rights to materials that we provide, regardless of their type (for example manufacturing equipment and working material). These may only be used in accordance with the terms of the agreement. In the case that the materials are processed or mixed, we shall acquire co-ownership of the new item to the value of our item as compared to the other objects processed at the time of the processing and during the storage period of the item with the Supplier.

The Supplier is obliged to carefully inspect and store the materials provided. Deviations (for example in terms of quality or quantity) shall be reported to us immediately. The Supplier shall be liable for any loss or damage caused as a result of intent or negligence.

We reserve the right of property to the tools; and the Supplier is obliged to only use the tools for the production of the goods ordered by us. The Supplier is obliged to insure the tools belonging to us against damage caused by fire, water or theft at their value as new at his/her own expense.

Our drawings, models, samples, tools, written explanations and any goods manufactured in accordance with these drawings, models, samples, tools and written explanations are not permitted to be copied or made accessible to other companies or individuals to avoid a possible liability for damages. These drawings, models, samples, tools and written explanations must only be returned to us in all cases.

A contractual penalty of at least €5000.00 shall be forfeited in every case of non-compliance with an obligation stipulate in section 12. We shall reserve the right to assert a further claim for damages.

13. Final Provisions

If individual provisions in these Terms and Conditions or the contract are or become fully or partially invalid, this shall not affect the remaining provisions.

Unless specified otherwise, the place of performance is Hanau/Main, Germany.

The sole court of jurisdiction for all disputes arising from this contract is Hanau/Main, Germany. We are, however, also entitled to bring an action against the Supplier at the court of jurisdiction of the Supplier's place of business.

The law of the Federal Republic of Germany shall exclusively apply to this agreement, with the exclusion of the United Nations Convention on Contracts for the International Sale of Goods.

Last updated: 22nd February 2019

FLEXA GmbH & Co Produktion und Vertrieb KG

Sitz: Hanau Registergericht: AG Hanau, HRA 4421

Persönlich haftende Gesellschafterin FLEXA Management GmbH

Sitz: Hanau, Registergericht: AG Hanau, HRB 7145

Geschäftsführer: Dipl.-Kfm. Markus Stenger
Assessor jur. Christoph Stenger

Errors, misprints and technical modifications excepted.