

General Terms and Conditions of Purchases

General Terms and Conditions of Purchases of G&H GmbH
Rothschenk

1) General Information

a) Rothschenk orders and purchases from suppliers are made under the following terms and conditions. Rothschenk will not accept alternative or deviating business or sales conditions, unless approved in writing before. Our General Terms and Conditions of Purchases will be binding even if goods are accepted, with knowledge of alternative conditions, or deviations from our terms and conditions.

b) All agreements and contracts between Rothschenk and the supplier, especially general agreements and long-term contracts, as well as changes and additions of the respective contracts, require these agreements to be in writing in order to be valid.

c) Our General Terms and Conditions of Purchases will only be applicable vis-à-vis with companies as defined by § 310, paragraph 4 of the German Civil Code (BGB).

d) Rothschenk General Terms and Conditions of Purchases also apply for all future transactions with the supplier.

2) Compliance

a) The supplier is obligated to be compliant with generally accepted rules of technology (especially DIN standards, regulations of the Association of German Electricians (VDE), guidelines of the Association of German Engineers (VDI), German Technical and Scientific Association for Gas and Water (DVGW) and statutory regulations for product safety (especially according to the German Product Safety Act), the law of regulations for a general minimum wage (minimum wage law – MiLog), the international current labor law-related minimum standard on an international level, especially all conventions of the international Labor Organization („ILO“) concerning worker rights, working time and worker protection, as well as all respectively asserted and administrative clauses.

b) Rothschenk operates a certified sustainability management system according to EMASplus guidelines. Inherent parts hereof are all requirements by EMAS regulations (EG) no. 1221/2009 and DIN EN ISO 14001:2015. Likewise, Rothschenk is certified to DIN EN ISO 9001:2015. Sustainable management plays an important role within the assurance of quality at Rothschenk. The supplier is obligated to keep relevant legal provisions for environment and worker protection that are in line with the values and demands of the sustainability policy and the code of conduct of Rothschenk. Rothschenk expects an efficient and effective process design as well as a permanent reduction of adverse impacts of their business process on people and the environment through the implementation of a sustainability management system from its suppliers.

c) The supplier shall not be involved into any form of bribe or corruption, violation of human rights or discrimination of their employees, compulsory labor or child labor - either actively or passively and directly or indirectly. In this regard, the supplier is obligated not to employ workers below the age of 15. In countries, which come under the exception of developing countries by ILO convention, the minimum age may be reduced to 14 years.

d) The supplier has to assure that all of its officers, who are involved in the production of products in any form, which are delivered to Rothschenk, observe the commitments listed above in section (a) to (c).

3) Orders

a) All purchase orders submitted by Rothschenk must be written. Verbal orders are considered non-binding.

b) All specifications and references on regulations and norms on the order or attached drawings or sketches must be adhered to.

c) The supplier has to accept Rothschenk offer in writing within 14 days. An acceptance by telefax or e-mail is sufficient. Any orders not accepted within this time period will be deemed invalid.

d) All proprietary rights, copyrights of patterns, images, drawings, calculations and other documents are reserved. These are not to be shared with third parties without our explicit written consent. They are solely to be used for the manufacturing of our orders. After settlement of the order, the documents have to be returned to us unrequested. All information cannot be shared with any third parties.

4) Delivery

a) The delivery date as stated on the order must be kept and acknowledged.

b) Unless otherwise agreed, the goods are to be provided with material number, article description, indicating dimensions, package unit, supplier number and EAN- or QR – code.

c) Supplier will notify Rothschenk of any change to the packaging units or pallets or quantities.

d) All deliveries of orders shall include a packing list (delivery note). Shipments without valid packing lists will be rejected. Packing lists should be attached to the shipments in a clear and visible manner. All packages shall be labeled with our order number, quantity per unit and quantity per pallet.

e) In the event of a delayed delivery, Rothschenk shall be entitled to demand damages in the amount 1 % of the delivery value, for each delayed week. This amount shall not exceed 10% and shall not be less than €35. The supplier has the right to provide evidence that no significant damages or losses were incurred due to the delay. Rothschenk retains all rights to continued legal claims (especially cancellation or damage compensation).

f) Unless otherwise agreed in writing, deliveries are made free of charge. The supplier has to bear all costs and risks of the transport of the goods until the place of destination. Deliveries are to be made without tax or duty payments.

g) In case of force majeure, especially as a result of strikes, lockout or other significant occurrences in our business that are beyond our control we are entitled to cancel any orders without compensation or to postpone the acceptance of the delivery or the performance of requests made by Rothschenk to our suppliers.

General Terms and Conditions of Purchases

5) Prices and Terms of Payment

- a) The price stated in the order is binding. In absence of any written agreement, the price includes the delivery costs.
- b) The supplier has to provide the invoice to Rothschenk with our order number, material number, quantity, price per unit and the total value. In the absence of this data, the invoice cannot be processed. Invoices shall only be deemed to be received when the foregoing requirements have been satisfied.
- c) Unless otherwise agreed, Rothschenk pays the purchase price within 21 days after delivery and receipt of a proper invoice with a 3% discount granted or net within 30 days after receipt of invoice.
- d) The invoice will not be paid before delivery of the products.
- e) All rights of set-off and retention are reserved.
- f) We will transfer the payment of the invoice to the bank account specified by the supplier. Our payment does not guarantee acceptance or acknowledgement of the order being fulfilled.
- g) The assignment or disposal of claims or demands of the contract requires our prior written consent.

6) Defects Investigation and Warranty of Defects

- a) We are obligated to verify the goods for quality and quantity variations within a respective time. Complaints can be filed within 14 working days from the receipt of the goods or at any time later upon discovery of hidden defects.
- b) Rothschenk shall be entitled to the statutory defect claims without restriction. Supplier shall rectify the defect or supply replacement items. The right to claim damages remains reserved.
- c) Rothschenk shall be entitled to remedy the damages at the suppliers expense, if there is risk in delay or significant urgency in rectifying the damages.
- d) The limitation period is 2 years from the transfer of risk.

7) Product Liability

- a) If the supplier is responsible for a product loss, supplier is obligated to release us from all third-party damages.
- b) In addition to liability for damages as stated in section a above, the supplier is also obligated to compensate any expenses in accordance to §§ 683, 670 and §§ 830, 840, 426 of German Civil Code (BGB), that result from a recall campaign by us. We will inform the supplier about content and extent of implemented revocation – as far as possible and reasonable – and allow the supplier to respond.
- c) The supplier is obligated to maintain a production liability insurance with a blanket coverage of 3 million Euros per personal or material damage. If further compensation claim appertains to us, they will remain inviolate.

8) Trade Mark Rights

- a) The supplier is obligated that no third-party rights are infringed in connection with his delivery.
- b) Should a third party contact us due to infringement, the supplier is obligated to release us from these claims upon the first written request. Without the suppliers permission, we are not entitled to make any agreements with third parties, in particular not to enter into any settlement.
- c) The release obligation of the supplier is related to all expenditures arising from or in connection with claims made by a third party.
- d) The limitation period is 10 years and is valid after delivery of the goods.

9) Secrecy

- a) The supplier is obligated to treat all of Rothschenks commercial and technical data and information that are non-publicized and specific to our customers, which become known to them through the business relation, as strictly confidential. They can only be disclosed to third parties with express consent. The secrecy obligation remains valid after the completion of the order. In case of violation of the obligation to secrecy by the supplier, Rothschenk shall be entitled to claim a contractual minimal penalty of 10.000,00 Euros. Further rights and claims remain reserved.
- b) Only upon our request may the supplier invoke or refer to our status as his costumer with our prior written consent.

10) Information Privacy

- a) Rothschenk is entitled to process and store all data required within the scope of performances of the contractual relationship with the contractor, even to the extent that personal data is involved.

11) Legal Venue and Applicable Law

- a) The legal venue for any disputes between Rothschenk and the supplier is the city of Würzburg, Germany.
- b) The law of the Federal Republic of Germany is applicable, with the exclusion of UN international trade.