

Terms and Conditions of Purchase of G. Schmid GmbH

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1. Worth

- 1.1. These Terms and Conditions of Purchase apply to all contracts between G. Schmid GmbH (hereinafter referred to as SCHMID) and its suppliers. Deviating terms and conditions of the supplier shall not apply unless SCHMID expressly agrees in writing.
- 1.2. These General Terms and Conditions of Purchase only apply to entrepreneurs within the meaning of § 14 BGB (German Civil Code) and legal entities under public law.
- 1.3. Deviating or conflicting terms and conditions of the supplier shall not apply unless SCHMID has expressly agreed to this in writing. Our terms and conditions of purchase remain valid even if we accept the supplier's delivery or service without reservation, even though we are aware of the supplier's deviating terms and conditions

2. Conclusion of Contract

- 2.1. Orders from SCHMID are only binding if they are placed in writing. Verbal agreements require written confirmation. The type and scope of the delivery shall be determined exclusively by the written order.
- 2.2. The supplier undertakes to manufacture and test the products in accordance with the drawings specified by SCHMID in the individual order and the specified customer standards in such a way that they are delivered in accordance with these, as well as with the properties and specifications
- 2.3. If the supplier purchases parts or services from subcontractors for the provision of services, this must in any case be notified to G. Schmid GmbH in writing in advance and approved in writing by G. Schmid GmbH.
- 2.4. The materials used and their ingredients must comply with the legal provisions regarding the environment, safety and recycling and, where applicable, the standards or drawings agreed separately in writing
- 2.5. SCHMID's orders must be confirmed in writing within 10 days. After this period, SCHMID is no longer bound by the order.
- 2.6. If the order confirmation from the supplier differs from our order, this must be clearly marked. In this case, the order is only valid after of our written confirmation. If the deviation is not identified, neither the acceptance of the goods, their payment nor our silence shall constitute agreement with the deviating conditions

3. Delivery date & delivery

- 3.1. The agreed delivery dates are binding. The prerequisite is the fulfilment of all obligations of the supplier to cooperate. In the event of force majeure or unforeseeable events for which SCHMID is not responsible, the delivery period shall be extended accordingly. SCHMID must be informed immediately of the beginning and end of such circumstances.
- 3.2. If the deadline is not met and a grace period set by us is unsuccessful, we can terminate the contract in whole or in part or demand damages.
- 3.3. The inspection of the delivered goods is carried out on the basis of our incoming goods inspection. The supplier can prove that the goods comply with the contractual agreements."
- 3.4. Delivery is free of charge to our business address. The supplier bears the costs for packaging, transport and insurance as well as the risk up to delivery.
- 3.5. In the case of agreed delivery ex works, the supplier will ensure the most favorable shipping method and correct declaration. He is also liable for transport damage in this case.

4. Passing

- 4.1. The risk only passes to SCHMID when the goods are handed over at the agreed destination. In the case of agreed acceptance, the legal regulations apply.

5. Warranty

- 5.1. The supplier warrants that the delivered goods are free of defects and in accordance with the agreed specifications. SCHMID may demand repair or replacement. The warranty period is 12 months from delivery, to the extent permitted by law.

6. Liability and limitation period for claims other than warranty claims

- 6.1.1 The Supplier shall be liable for intent and gross negligence as well as for damages resulting from injury to life, limb or health. In the event of slight negligence, liability is limited to material contractual obligations and foreseeable damage.
- 6.1.2 The Supplier shall indemnify SCHMID against all claims by third parties based on product defects that have their cause in the Supplier's sphere of control and organization. The Supplier shall reimburse SCHMID for all expenses for recalls initiated by SCHMID due to

Product defects that have their origin in the supplier's sphere of control and organization.
- 6.1.3 The supplier is liable for damages that occur if he violates a contractual obligation.

- 6.1.4 The limitation period for claims begins as soon as the goods are handed over to SCHMID. The period is usually 4 years, unless the law prescribes a longer period.
- 6.1.5 Special rules for recourse claims (§ 479 BGB) also apply.

7. Prices and Payment

- 7.1. The agreed prices are fixed prices and include all ancillary costs, unless otherwise agreed. Payments are made within 60 days of receipt of invoice and delivery without deduction.
- 7.2. The assignment of claims against SCHMID is only effective with the written consent of SCHMID

8. Ownership

- 8.1. Upon delivery, ownership of the goods is transferred to SCHMID without restriction. A retention of title in favour of the supplier is only considered a simple retention of title. SCHMID is entitled to process the goods, resell them or transfer ownership to third parties at any time.

9. Secrecy

- 9.1. All documents and information received in the course of the business relationship are to be treated confidentially and may only be passed on to third parties with the written consent of SCHMID. This obligation also applies after the end of the contract.
- 9.2. The Supplier undertakes to use the knowledge and experience acquired by it in the course of executing the order exclusively for the execution of orders from SCHMID and not to bring it to the attention of third parties

10. Supplier Code of Conduct

- 10.1. Our suppliers are required to implement our principles of ethics and conduct and to demand compliance from their suppliers as well, available at: www.g-schmid-gmbh.com.

11. Place of Performance, Place of Jurisdiction, Applicable Law

- 11.1. The place of jurisdiction is the court responsible for the registered office of SCHMID. German law applies exclusively to the exclusion of the UN Convention on Contracts for the International Sale of Goods.

12. Final provisions

- 12.1. If a provision is invalid, the validity of the remaining provisions remains unaffected. The parties undertake to make a substitute arrangement that comes as close as possible to the economic purpose of the invalid provision.