

**General Conditions of Purchase
of Stadler Antriebstechnik GmbH & Co. KG**

§ 1 Scope

1. Our General Terms and Conditions apply to the purchase of goods and ordering of services in accordance with the contract concluded between us and the supplier.
2. Our General Terms and Conditions also apply to all future orders with the supplier exclusively and without further express indication. We do not recognise any of the supplier's conflicting conditions, unless expressly agreed by us in writing. Our General Terms and Conditions also apply if we accept the service in awareness of any supplier's conditions which contradict or deviate from our terms and conditions.
3. Our General Terms and Conditions apply only to companies, legal entities under public law or public law special funds for the purpose of § 310, par. (1) of the BGB [German Civil Code].

§ 2 Orders and offer-related documents

1. If we provide an offer with our order, we shall remain bound to it for a maximum of 7 days, unless a shorter or longer time period is expressly stated in the order. Orders placed verbally are only effective with our written confirmation. Should the supplier issue an order confirmation, he should indicate our order number on this.
2. In the event that we already have a business relationship with the supplier, § 362 of the HGB [German Commercial Code] shall also apply.
3. We shall retain all property rights and copyrights to illustrations, drawings and other documentation; they may not be made accessible to third parties without our express written agreement. After executing the order they shall be returned to us unprompted. Before carrying out the assignment the supplier undertakes to check the aforementioned documents for completeness, correctness and suitability for the foreseen purpose and direct us to potential problems. Should the supplier raise no objections, he shall be liable.

§ 3 Prices and payment conditions

1. The price stated in our order is binding. Unless agreed otherwise in writing, "free delivery" and packaging are included. The supplier undertakes to return the packaging on request.
2. All prices are net fixed prices plus VAT. Invoices can only be processed if they state the stipulated order number, which corresponds to the details in our order; the supplier is responsible for all consequences arising from the non-compliance with this obligation.
3. Unless otherwise agreed in writing, we shall pay the amount within 14 days, calculated from delivery and receipt of invoice, with a 3% early payment discount or within 20 days after receipt of invoice net. The term shall commence when both an auditable invoice and the goods have been received by us and/or the services have been carried out.
4. The time between complaints of defects and subsequent fulfilment shall not be taken into account in calculating the term of payment in accordance with fig. 3.
5. In relation to construction and engineering services, the supplier may only calculate a bill of the actual time expended according to hourly rates, if this was expressly agreed. In this case the supplier must obtain our approval of the overrunning of the agreed time. In all other cases the full provision of services must be agreed with a fixed price, if this was calculated on the basis of anticipated time expenditure. Should the work exceed or fall short of the time expected in these cases, it shall not be taken into consideration.
6. Rights of retention and offsetting rights belong to us within the limits of the law; debts outstanding due to us may only be transferred to third parties with our written agreement.

§ 4 Delivery time

1. The delivery time specified by us is binding; any time periods shall start when the supplier receives the order.
2. The supplier shall immediately inform us in writing if he cannot comply with the agreed delivery times, whereby our rights regarding delay of service remain unaffected by this obligation to provide information.
3. Should the supplier fall behind with the delivery, he must pay 1% of the order value for each calendar week commenced of delay, but to a maximum of 10%, as a contractual penalty. The right to make legal claims against delay of service remains unaffected.

§ 5 Transfer of risk

1. In sales contracts the risk shall transfer to us on receipt of goods.
2. In service contracts the risk shall transfer to us after express acceptance in the form of an acceptance report.

§ 6 Condition and quality of goods

1. The supplier shall guarantee that his goods comply with the relevant laws, regulations and DIN standards. If necessary, the goods must carry CE certification and be CE compliant.
2. If we make models, plans, drawings, material and/or supplies available to the supplier, he undertakes to check these are complete, correct and suitable for the specified purpose and to inform us immediately if they are incomplete, incorrect or unsuitable. Should the supplier raise no objections, he shall be liable.
3. The supplier shall guarantee that the goods correspond to the details in our order (including any drawings).
4. The supplier shall maintain a quality assurance system, which in particular shall incorporate the maintenance of accepted quality standards, regular quality checks and an inspection of outgoing goods. The supplier must draw up records of this and present them to us on request.

§ 7 Supplier's liability for defects

1. We are entitled to statutory claims in full. In particular we are entitled to demand, at our discretion, that the defect be remedied or a new service object be delivered. We reserve the right to claim compensation for damage, including compensation instead of service, for each degree of responsibility in full according to legal provisions.
2. The period for the limitation of claims on account of defects is three years, if longer periods are not applicable by law. The period commences with the transfer of rights.

§ 8 Supplier's liability for damages

1. The supplier is liable for any damage, which he or his assistants cause in full and for each degree of responsibility according to legal provisions.
2. The risk of damages in transit is borne by the supplier.
3. In the event that a third party asserts a claim, the supplier undertakes to exempt us from the claims of third parties (including the costs of a necessary recall) and to compensate us for damage and expenses, if he must take responsibility for the grounds which give rise to liability.
4. The limitation of our claims for compensation for damages complies exclusively with legal provisions.

§ 9 Commercial property rights

1. The supplier is responsible for ensuring that no third party commercial property rights are infringed in the context of his delivery.
2. Should a third party assert a claim, the supplier undertakes to exempt us from the claims of third parties on first written request.
3. Commercial property rights arising from the execution of work belong to us. Should these exceptionally arise with the supplier due to compulsory legal provisions, he shall grant us free, non-exclusive usage without restrictions in time.

§ 10 Ownership of goods

1. All goods, such as tools, presentation items, specimens or models, which were handed over to the supplier, remain our property. The supplier undertakes to keep these strictly confidential and to immediately return them on request. He is prohibited from passing them on to third parties or using them for his own purposes (excepting the service provision for us).
2. The same applies to goods which were manufactured in full or in part at our expense (e.g. moulds, tools, appliances). These become our property on formation at the supplier's without direct provision of financial capital. Alterations may only be made with our written approval. In the context of existing shared property interests, the supplier is responsible for any damage and/or loss in accordance with legal provisions.

§ 11 Materials provided

1. Materials provided remain our property and are to be stored separately by the supplier and only used for our order. The supplier is responsible for damage or loss. The provided parts must all be insured by him against fire and water damage and theft.
2. The processing or transforming of materials shall take place on our behalf. We become the owners of the newly formed items. If our materials are processed with other materials we gain joint ownership according to the legal provisions.

§ 12 Framework Agreements, Termination

1. We shall be entitled to terminate framework agreements between us and the supplier without prior notice, if an application for the institution of insolvency proceedings concerning our customer's assets has been filed or the (temporary) insolvency proceedings have been initiated or the institution of such proceedings has been rejected for lack of assets.
2. In the event of such termination, we are obligated to accept and pay for the quantities of goods that have already been previously retrieved from the supplier and the maintained lot sizes agreed upon. In terms of the remaining quantities, we are neither obligated to pay any remuneration nor compensation.

§ 13 Software

1. Unless otherwise agreed in individual contracts, the supplier shall grant us free usage rights for an unlimited period to software products and the corresponding documentation. We are entitled to transmit the software to our customers.
2. For the purpose of data protection we may make copies of the software.

§ 14 Mode of declaration

1. Legally relevant declarations and notifications, which the supplier must provide us with, must be made in writing.
2. This also applies to legally relevant declarations and notifications, which the supplier must provide to third parties, in the event that they come between us and the supplier in connection with the contractual relationship.

§ 15 Place of fulfilment, place of jurisdiction, applicable law

1. The place of fulfilment and the place of jurisdiction for disputes with business people, legal entities under public law or public law special funds is our place of business. We are also entitled to take proceedings against the supplier at their place of business.
2. The law of the Federal Republic of Germany applies; the UN Sales Law is excluded.
3. Should one of the preceding conditions be or become ineffective, the validity of the other provisions remains unaffected.